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Director and Health Officer

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BOARD OF SUPERVISORS

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

September 29, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

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SEPTEMBER 29, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF TWO SOLE SOURCE AGREEMENTS FOR
EQUIPMENT MAINTENANCE AND REPAIR SERVICES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

Request approval of two sole source equipment maintenance and repair services agreements for radiography systems in 12 Department of Public Health facilities, both for five-year periods.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of the Department of Public Health (DPH), or his designee, to execute a sole source agreement for equipment maintenance and repair services for the period of October 1, 2009 through September 30, 2014, with: a) Fujifilm Medical Systems U.S.A., Inc. (Fujifilm), substantially similar to Exhibit I, for a net County cost of \$676,894; and b) Freedom Imaging (Freedom), an authorized Canon service representative, substantially similar to Exhibit II, for a net County cost of \$153,787.
2. Delegate authority to the Director of DPH, or his designee, to execute amendments to the Fujifilm and Freedom Agreements that amend the list of equipment required to be serviced, as necessary, and/or increase or decrease up to 25 percent the maximum obligation of each Agreements' base award in order to include equipment coming off warranty, and to provide emergency or unanticipated equipment maintenance and/or repair services, subject to review and approval by County Counsel and the Chief Executive Office (CEO), and notification to your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the recommended actions will allow the DPH Radiology Unit to maintain and repair radiography systems located in the 12 DPH Public Health Centers. The systems will

enable staff to digitally obtain x-ray images from their remote workstations and integrate a standardized, digital radiology platform across the facilities, which will ensure the efficient exchange of radiology patient information. By replacing the obsolete and traditional film-based radiography with the advanced, digitized imaging systems, DPH can expedite image result turn-around-time from six business days to one, improve x-ray image quality, and eliminate costs associated with traditional film processing.

Implementation of Strategic Plan Goals

This action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total cost for service is \$830,681, consisting of \$676,894 for Fujifilm and \$153,787 for Freedom, for the period effective October 1, 2009 through September 30, 2014.

Funding is included in DPH's 2009-10 Proposed Budget and will be requested in future fiscal year (FYs), as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Purchase and installation of Fujifilm's radiography equipment was completed in 2006 for 11 DPH Public Health Center facilities to replace their traditional film-based radiography equipment with advanced, digital radiography technology. After purchasing the equipment, DPH discovered that an interface was needed between its existing patient database and Fujifilm's Picture Archiving and Communications Systems (PACS) that would transfer patient demographics to the digital images and automate the radiology workflow. Thus, the 'go live' rollout was delayed and resulted in the expiration of DPH Public Health Centers' first-year service agreements. DPH investigated multiple solutions, such as purchasing additional, compatible equipment, as well as the possibility of a purchase order to cover maintenance and repair services for one year. Following the commission of the interface configuration between the patient database and the PACS, the digital radiography system was finally complete.

It is necessary for DPH to enter into agreement with Fujifilm for equipment maintenance and repair services because the technology is proprietary and service from Fujifilm will ensure that equipment complies with all accrediting and licensing requirements.

In 2002, the Hollywood-Wilshire Health Center, the twelfth facility, purchased x-ray imaging equipment from Canon for a pilot project for advanced radiology imaging systems. Canon was selected following a competitive solicitation process. Although there are differences in the technology between Canon and Fujifilm's x-ray imaging equipment, Canon is compatible with and can be read through Fujifilm's PACS, making the system all-inclusive online.

Therefore, although each DPH Public Health Center facility is ready to 'go live' with digitized radiology, all digitized imaging systems will remain inoperable until a service agreement is in

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place to cover routine maintenance and repair services, as well as critical preventive maintenance and emergency repairs.

Per Fujifilm's request, modifications to County's standard Indemnification provision have been made to the Fujifilm Agreement (Exhibit I), with the acceptance of: 1) mutual indemnification; and 2) adjustments to Fujifilm's limitation of liability, which includes placing a cap on Fujifilm's indemnification, not to exceed twice the annual service rate of the Agreement. As Fujifilm is the sole provider of these services and their products are proprietary, contracting with Fujifilm is essential and provides minimal operational risks, thereby minimizing the exposure of liabilities to the Department.

Exhibits I and II have been approved as to form by County Counsel. Exhibits III and IV are the Sole Source Checklists for Fujifilm and Freedom respectively, which have been approved and accepted by CEO.

In adherence with Board Policy 5.100 – Sole Source Contracts, advance notification (Exhibit V) was sent to your Board on June 4, 2009, regarding the Fujifilm Agreement. No sole source memo was issued for the Freedom Agreement as it falls within the \$250,000 threshold.

CONTRACING PROCESS

DPH intends to issue a competitive solicitation for these services prior to the termination date identified in the agreements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow DPH to ensure that the digitized imaging systems are maintained and repaired as necessary.

Respectfully submitted,



Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

JEF

JEF:ly
Attachments (5)

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

EXHIBIT I

Contract No. _____

PREVENTIVE MAINTENANCE AND REPAIR SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day
of _____ 2009,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

FUJIFILM MEDICAL SYSTEMS U.S.A., INC.
(hereafter "Contractor").

WHEREAS, pursuant to sections 1441 and 1445 of the California Health and Safety Code, County has established and operates, through its Department of Public Health (hereafter "DPH"), public health centers, and other health care facilities and programs (hereafter collectively referred to as "Facility(ies)"; and

WHEREAS, the term "Director" as used herein refers to the Director of County's DPH, or his authorized designee (hereafter jointly referred to as "Director"); and

WHEREAS, County desires the services of a Contractor to provide preventive maintenance and repair services on a regularly scheduled basis; and

WHEREAS, County has determined that the services to be provided under this Agreement are of a technical nature to the extent that DPH is unable to recruit qualified personnel with the requisite training, knowledge, or experience to perform such services; and

WHEREAS, Contractor is authorized under the laws of the State of California to engage in the business of providing preventive maintenance and repair services, and

possesses the competence, expertise, and personnel necessary to provide such services described hereunder; and

WHEREAS, this Agreement is authorized by provisions of section 1451 of the California Health and Safety Code and sections 26227 and 31000 of the California Government Code.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall commence October 1, 2009 and shall continue in full force and effect through September 30, 2014. In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, upon the giving of at least thirty (30) calendar days advance written notice to the other party. Further, County may also suspend the performance of services hereunder, in whole or in part, upon the giving of at least thirty (30) calendar days advance written notice to the Contractor. County's notice shall set forth the extent of the suspension and the requirements for full restoration of the performance obligations.

Notwithstanding any other provision of this Agreement, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issued pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time.

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the form as described in the body of this Agreement and Exhibit(s), attached hereto and incorporated herein by reference.

B. Contractor warrants that it possesses the competence, expertise, and personnel necessary to provide such services.

C. The Director may add or delete related equipment to be serviced/maintained at DPH Facilities as necessary, herein referenced as Exhibit B, by providing at least thirty (30) days prior written notice to Contractor. In the event of such addition or deletion, the parties shall re-negotiate in good faith and mutually agree upon in writing the revised fees to be paid hereunder. Such maintenance and repair services shall include but not be limited to, warranty expiration, emergency repairs, and critical preventive maintenance.

D. The Director may add or delete County facility service sites, herein referenced as Exhibit C, by providing at least thirty (30) days prior written notice to Contractor. In the event of such addition or removal, the parties shall re-negotiate in good faith and mutually agree upon in writing the revised fees to be paid hereunder.

3. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily the exclusive provider to County of services provided under the terms of this Agreement, and that County has, or may enter into, agreements (e.g., contracts) with other providers of such services, or may perform all or part of same, when possible, using County employees. Notwithstanding the previous sentence, all maintenance

services relating to the Synapse software program will be performed solely by Contractor and all maintenance services related to radiography equipment may only be performed by individuals who have completed Contractor training on such equipment.

4. BILLING AND PAYMENT:

A. County agrees to compensate Contractor on an annual basis, in accordance with the terms set forth in Exhibit A (Statement of Work), Attachment(s), and/or Schedule(s), attached hereto and incorporated herein by reference.

B. Contractor shall bill DPH's Health Centers (Antelope Valley, Central, Curtis Tucker, Glendale, Hollywood/Wilshire, Monrovia, Pacoima, Pomona, South, Torrance, Weingart Satellite Clinic, and Whittier), as listed in Exhibit C, c/o Department of Public Health, Financial Management, 5555 Ferguson Drive, Suite 100-50, Commerce, CA, 90022, hereunder according to the terms set forth in the payment requirements of said Exhibit.

C. All billing to County shall be in the name of Contractor as said name appears on the first page of this Agreement.

D. County shall pay Contractor within thirty (30) days of receipt of Contractor's complete and correct billing. In the event that a billing is submitted which contains some disputed items, County shall pay for all items on the invoice for which the information provided is complete and correct while the discrepant item(s) is/are being resolved.

5. MAXIMUM OBLIGATION OF COUNTY:

A. The annual maximum obligation of County for all services provided hereunder shall not exceed One Hundred Twenty-Eight Thousand, Nine Hundred Ninety-Eight Dollars (\$128,998), effective October 1, 2009 through September 30, 2010.

B. The Director may adjust the County's maximum obligation during each Fiscal Year ("FY") of the Agreement term by no more than twenty-five percent (25%) of the annual FY 2009-10 allocation (\$128,998) for unanticipated maintenance and repair services and/or if equipment is added/removed to/from any County Facility. Contractor shall have no obligation to increase the scope of its services under this Agreement if costs related to such services cannot be recouped due to the limitations set forth in this Section 5.

6. NON-APPROPRIATION OF FUNDS CONDITION:

Notwithstanding any other provision of this Agreement, County shall not be obligated by any provision of this Agreement during any of County's fiscal years unless funds to cover County's costs hereunder are appropriated by County's Board of Supervisors. In the event that funds are not appropriated for this Agreement, then this Agreement shall be deemed to have terminated on June 30th of the prior fiscal year. County shall notify Contractor in writing of such non-appropriation of funds at the earliest possible date.

7. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim

against County for the payment of any monies, or reimbursements of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement, even if Contractor's provision of such services were requested by County directly. Should Contractor receive any such payment, it shall immediately notify County and shall repay or return all such funds or reimbursements to County within a reasonable amount of time. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or termination of this Agreement.

8. DISCLAIMER OF WARRANTY, INDEMNIFICATION AND LIMITATION OF LIABILITY:

A. SECTION 2(B) COMPRISES THE SOLE AND EXCLUSIVE WARRANTIES FROM CONTRACTOR TO COUNTY AND THE SERVICES PROVIDED UNDER (1) THIS AGREEMENT, (2) THE STATEMENT OF WORK AND (3) ADDITIONAL PROVISIONS (COLLECTIVELY, THE "AGREEMENTS"), ARE PROVIDED WITHOUT ANY OTHER WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

B. Contractor shall indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with

Contractor's negligent acts and/or omissions under this Agreement. Contractor shall have no liability under this provision to the extent such liability is a result of County's negligent acts or omissions.

C. In the event of contractor's breach of any warranty or obligation under the Agreements, Contractor's sole obligation shall be to make all necessary adjustments, repairs and replacements in accordance with the terms of the agreements and to replace any parts installed pursuant to the Agreements that are defective at the time of installation. Contractor shall have no liability for damages under this Agreement in connection with any non-functioning or malfunctioning unit of equipment unless such equipment fails to function properly for a one-month period. Contractor's total liability under the Agreements shall be limited to general money damages in an amount not to exceed twice the annual service rate paid by Customer under this Agreement. CONTRACTOR SHALL IN NO EVENT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING BUT NOT LIMITED TO LOSS OF USE OF THE PRODUCTS OR LOSS OF REVENUE.

9. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES: Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 9 and 10 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in

addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

A. Evidence of Coverage and Notice to County: A certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles

or self-insured retentions exceeding fifty thousand (\$50,000) dollars, and list any County required endorsement forms.

Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, it's insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles

Department of Public Health, Contracts and Grants Division

313 North Figueroa Street, Los Angeles, California, 90012

Attention of: Gary T. Izumi, Chief

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor.

Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

B. Additional Insured Status and Scope of Coverage: The County of Los Angeles, its special Districts, Elected Officials, Officers, Agents, Employees

and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Provisions herein.

C. Cancellation of Insurance: Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

D. Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the County with an A.M. Best ratings of not less than A:VII unless otherwise approved by County.

E. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall

constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.

F. Contractor's Insurance Shall Be Primary: Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation: To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s') right of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all actual costs incurred by County.

I. Sub-Contractor Insurance Coverage Requirements: Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor

complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

J. Deductibles and Self-Insured Retentions (SIRs): Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects to the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

K. Claims Made Coverage: If any part of the Required Insurance is written on a claim made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

L. Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

M. Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

N. Alternative Risk Financing Programs: The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

O. County Review and Approval of Insurance Requirements: The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

10. INSURANCE COVERAGE REQUIREMENTS:

A. Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form "CG 00 01"), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million
Each Occurrence:	\$1 Million

B. Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form "CA 00 01") with limits of not less than \$1 Million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall include cover liability arising out of Contractor's use of autos pursuant to this Agreement, including "owned", "leased", "hired", and/or "non-owned" autos, as each may be applicable.

C. Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 Million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Professional Liability/Errors and Omissions: Insurance covering Contractor's liability arising from or related to this Agreement, with limits of not less than \$1 Million per claim and \$2 Million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less

than three (3) years following this Agreement's expiration, termination or cancellation.

11. ASSIGNMENT AND DELEGATION:

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Subparagraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any

entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

12. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontractor's proposed effective date, and shall include:

(1) Identification of the proposed subcontractor, who shall be licensed as appropriate for provision of subcontract services, and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontractor.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. At least thirty (30) calendar days prior to the subcontract's proposed effective date, Contractor shall submit for review and approval to Director, a copy of the proposed subcontract instrument. With the Director's written approval of the subcontract instrument, the subcontract may proceed.

D. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirements under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any subcontract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Agreement.

E. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or

other compensation to all subcontractors, and their officers, employees, and agents.

F. In the event that County consents to any subcontracting, such consent shall be subject to County's right to give prior and continuing approval of any and all subcontractor personnel providing services under such subcontract. Contractor shall assure that any subcontractor personnel not approved by County shall be immediately removed from the provision of any services under the particular subcontract or that another action is taken, as requested by County.

G. In the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

H. Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

I. Director is hereby authorized to act for and on the behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

13. COMPLIANCE WITH APPLICABLE LAW: Contractor shall comply with the requirements of all federal, State, and local laws, ordinances, regulations, rules, guidelines, and directives, applicable to its performance hereunder. To the extent there is any conflict between federal and State or local laws, the former shall prevail.

14. CONTRACTOR'S OBLIGATIONS AS AN OTHER ENTITY UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"): Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records. Accordingly, Contractor shall instruct its officers, employees, and agents that they are not to pursue, or gain access to, patient medical records for any reason whatsoever.

Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Contractor or its officers, employees, and agents may have inadvertent access to patient medical records. Contractor understands and agrees that neither it nor its officers, employees, or agents are to take advantage of such access for any purpose whatsoever. Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify Director that such access has been gained immediately, or upon the first reasonable opportunity to do so. Contractor

agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

15. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled "ADDITIONAL PROVISIONS", of which the terms and conditions therein contained are part of this Agreement.

16. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

17. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Agreement, including its ADDITIONAL PROVISIONS, and that of any Exhibit(s), Attachment(s), and any other documents incorporated herein by reference, the language found within this Agreement shall govern and prevail.

18. ALTERATION OF TERMS: The body of this Agreement, including its ADDITIONAL PROVISIONS, Exhibit(s), and any Attachment(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

19. CONTRACTOR'S OFFICE: Contractor's primary business office is located at 419 West Avenue, Stamford, CT, 06902. Contractor's primary business telephone number is (203) 446-5450, and facsimile/FAX number is (203) 327-6485. Contractor shall notify County, in writing, of any changes made to Contractor's primary business address, business telephone number, and/or facsimile/FAX number, as listed herein, or any other business address, business telephone number, and/or facsimile/FAX number, used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

20. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and parties to be notified may be changed by providing at least ten (10) working days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

Department of Public Health
Contracts and Grants Division
313 North Figueroa Street, 6th Floor-West
Los Angeles, California 90012

Attention: Division Chief

B. Notices to Contractor shall be addressed as follows:

(1) FUJIFILM Medical Systems U.S.A., Inc.
419 West Avenue
Stamford, CT 06902

Attention: President and CEO

(2) FUJIFILM Holdings America Corporation
200 Summit Lake Drive
Valhalla, NY 10595

Attention: Law Department

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Director of Public Health, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

FUJIFILM MEDICAL SYSTEMS, U.S.A., INC.
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
ROBERT E. KALUNIAN
Acting County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health

By _____
Gary T. Izurni, Chief
Contracts and Grants Division

ADDITIONAL PROVISIONS

DEPARTMENT OF PUBLIC HEALTH AGREEMENT

**FUJIFILM MEDICAL SYSTEMS U.S.A., INC.
EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR
RADIOGRAPHY IMAGING SYSTEMS**

ADDITIONAL PROVISIONS

FUJIFILM MEDICAL SYSTEMS U.S.A., INC. EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR RADIOGRAPHY IMAGING SYSTEMS

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ADDITIONAL PROVISIONS

DEPARTMENT OF PUBLIC HEALTH EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR RADIOGRAPHY IMAGING SYSTEMS

These Additional Provisions supplement the Preventive Maintenance and Repair Services Agreement dated October 1, 2009 and are hereby incorporated therein.

1. ADMINISTRATION: County's Director of the Department of Public Health ("DPH") or his/her authorized designee(s) (hereafter collectively "Director") shall have the authority to administer this Agreement on behalf of County.

2. FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE:

Form of Business Organization: Contractor shall prepare and submit to Director upon request, a statement containing the following information with supportive documentation:

A. The form of Contractor's business organization, e.g., sole proprietorship, partnership, or corporation.

B. Articles of Incorporation and By-Laws.

C. A detailed statement indicating whether Contractor is totally or substantially owned by another business organization (e.g. another legal entity or parent corporation).

D. A detailed statement indicating whether Contractor totally or partially owns any other business organization that will be providing services, supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Agreement.

E. If, during the term of this Agreement, the form of Contractor's business organization changes, or the ownership of Contractor changes (other than a change of ownership to an affiliate of Contractor), or the Contractor's ownership of other businesses dealing with Contractor under this Agreement changes, Contractor shall notify Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, or condition of physical or mental handicap, in accordance with requirements of federal and State laws, or in any manner on the basis of the client's/ patient's sexual orientation. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner, or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to

race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation.

Facility access for handicapped must comply with the Rehabilitation Act of 1973, Section 504, where federal funds are involved, and Title III of the federal Americans with Disabilities Act of 1990.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the Americans with Disabilities Act, the Rehabilitation Act of 1973, and all other federal and State laws, as they now exist or may hereafter be amended, that it shall not discriminate against any employee or applicant for employment because of, race, color, religion, national origin, ethnic group identification, ancestry, sex, age, or condition of physical or mental handicap, or sexual orientation. Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation in accordance with requirements of federal and State laws. Such action shall include, but shall not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining Agreement or other contract of understanding a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractors, bidders, or vendors without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

E. If County finds that any provisions of this Paragraph have been violated, the same shall constitute a material breach of contract upon which Director may suspend or County may determine to terminate this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated federal or

State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

F. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Paragraph, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this Agreement.

5. FAIR LABOR STANDARDS ACT: Contractor shall comply with all applicable provisions of the federal Fair Labor Standards Act.

6. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations, as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law.

7. STAFFING AND STAFF DEVELOPMENT: Contractor shall operate continuously throughout the term of this Agreement with at least the minimum number of staff required by County. Such personnel shall be qualified in accordance with

standards established by County. In addition, Contractor shall comply with any additional staffing requirements which may be included in the Exhibit(s) attached hereto.

During the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of persons by name, title, professional degree, salary, and experience who are providing services hereunder. Contractor also shall indicate on such list which persons are appropriately qualified to perform services hereunder. Contractor shall institute and maintain appropriate supervision of all persons providing services pursuant to this Agreement.

Contractor shall institute and maintain a training/staff development program pertaining to those services described in the Exhibit(s) attached hereto. Appropriate training/staff development shall be provided for treatment, administrative, and support personnel. Participation of treatment and support personnel in training/staff development should include in-service activities. Such activities shall be planned and scheduled in advance; and shall be conducted on a continuing basis. Contractor shall develop and institute a plan for an annual evaluation of such training/staff development program.

8. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be

construed to be, the employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, or other compensation or benefits to any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall bear the sole liability and responsibility for any and all workers' compensation benefits to any person as a result of injuries arising from or connected with services performed by or on behalf of Contractor pursuant to this Agreement.

9. CONTRACTOR'S WILLINGNESS TO CONSIDER COUNTY'S EMPLOYEES FOR EMPLOYMENT: Contractor may, in its sole discretion, agree to receive referrals from County's Department of Human Resources of qualified permanent employees who are targeted for layoff or qualified former employees who have been laid off and are on a reemployment list during the life of this Agreement. Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary of this Agreement.

10. CONSIDERATION OF GAIN/GROW PROGRAM PARTICIPANTS FOR

EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement, Contractor may give consideration for any such employment openings to participants in County's Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN/GROW participants by job category to Contractor.

If contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services GAIN/GROW staff at GAINGROW@dpss.lacounty.gov.

11. STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE:

Contractor shall ensure that no employee or physician performs services while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

12. RECORDS AND AUDITS:

A. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles. Such records shall clearly reflect the actual cost of the service performed under this Agreement for which payment is claimed and shall include, but not be limited to:

(1) Personnel records which show the percentage of time worked providing services claimed under this Agreement. Such records shall be corroborated by payroll timekeeping records, signed by the employee and approved by the employee's supervisor, which show time distribution by programs and the accounting for total work time on a daily basis. This requirement applies to all program personnel, including the person functioning as the executive director of the program, if such executive director provides services claimed under this Agreement.

(2) Personnel records which account for the total work time of personnel identified as indirect costs in the approved contract budget. Such records shall be corroborated by payroll timekeeping records signed by the employee and approved by the employee's supervisor. This requirement applies to all such personnel, including the executive director of the program, if such executive director provides services claimed under this Agreement.

The entries in all of the aforementioned accounting and statistical records must be readily traceable to applicable source documentation (e.g., employee timecards). All financial records shall be retained by Contractor for a minimum period of five (5) years following expiration or earlier termination of this Agreement, or until federal, State and/or County audit findings are resolved, whichever is later. During such retention period, all such records shall be made available at a location in Los Angeles County during normal business hours to

authorized representatives of federal, State, or County governments for purposes of inspection and audit, provided such representatives provide written notice to Contractor (but in no event less than 10 business days notice) of its intention to inspect or audit such records. Each party shall bear its own costs related to preparation for and the performance of the inspection and audit. Such inspections and audits shall take place at a mutually agreed upon location in Los Angeles County and shall occur no more than once during any twelve-month period, provided Los Angeles County provides written notice to Contractor (but in no event less than 10 business days notice) of its intention to inspect or audit such records.

Preservation of Records: If following termination of this Agreement Contractor's facility is closed or if ownership of Contractor changes (unless to an affiliate of Contractor), within forty-eight (48) hours thereafter, the Director is to be notified thereof by Contractor in writing and arrangements are to be made by Contractor for preservation of the client/patient and financial records referred to hereinabove.

B. Program/Fiscal Review: In the event County representatives conduct a program review or financial evaluation of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all financial records, medical records (if permitted by law), program records, and any other records pertaining to services provided under this Agreement. Additionally, Contractor shall make its personnel,

facilities, and medical protocols available for inspection at reasonable times and at a mutually agreed upon location in Los Angeles County by authorized representatives of County. Such inspections shall only occur upon prior written notice (in no event less than 10 business days) and shall not occur more than once in a twelve-month period.

C. Failure to Comply: Failure of Contractor to comply with the terms of this Paragraph shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Agreement.

D. Confidentiality. Unless expressly prohibited by law, County shall maintain the confidentiality of all records, reports, inspection results, audit results and any other information obtained from Contractor under this Paragraph.

13. CONFIDENTIALITY: Contractor agrees to maintain the confidentiality of all patient records and information, in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and directives relating to confidentiality. Contractor shall inform all of its officers, employees, agents, independent contractors and others providing services hereunder in writing of the confidentiality provisions of this Agreement. A copy of such document informing all of its officers, employees, agents and independent contractors of the provisions of this Paragraph shall be retained by Contractor for purposes of inspection and audit and made available to County upon request.

14. CONTRACTOR'S OBLIGATIONS AS A NON-BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF

1996 ("HIPAA"): Contractor expressly acknowledges and agrees that the provisions of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records. Accordingly, Contractor shall instruct its officers, employees, and agents that they are not to pursue or gain access to patient medical records for any reason whatsoever.

Notwithstanding the foregoing, the parties acknowledge that, in the course of the provision of services hereunder, Contractor or its officers, employees, or agents, may have inadvertent access to patient medical records. Contractor understands and agrees that neither Contractor nor its officers, employees, or agents are to take advantage of such access for any purpose whatsoever. Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents shall maintain the confidentiality of any information obtained and shall notify DPH management personnel that such access has been gained immediately, or upon the first reasonable opportunity to do so.

15. PUBLIC ANNOUNCEMENTS AND LITERATURE: Contractor agrees that all materials, public announcements, literature, audiovisuals, and printed materials provided by County and utilized by Contractor in association with this Agreement, shall have prior written approval from the Director prior to its publication, printing, duplication, and implementation with this Agreement. All such materials, public announcements, literature, audiovisuals, and printed material shall include an ACKNOWLEDGMENT that funding for such public announcements, literature, audiovisuals, and printed materials was made possible by the County of Los Angeles, Department of Public Health.

Contractor further agrees that all public announcements, literature, audiovisuals, and printed material acquired by Contractor from County, in whole or in part, under this Agreement, and all works based thereon, incorporated therein, or derived therefore, shall be the sole property of County.

For the purposes of this Agreement, all such items shall include, but not be limited to, written materials (e.g., curricula, text for vignettes, text for public service announcements for any and all media types, pamphlets, brochures, fliers), audiovisual materials (e.g., films, videotapes), and pictorials (e.g., posters and similar promotional and educational materials using photographs, slides, drawings, or paintings). Under no circumstances shall this Paragraph apply to Contractor training materials.

16. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or impose other penalties as expressly specified in this Agreement.

17. RESTRICTIONS ON LOBBYING:

A. Federal Certification and Disclosure Requirement: If any federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (Title 31, U.S.C., Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

B. County Lobbyists: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Agreement.

18. UNLAWFUL SOLICITATION: Contractor shall require all of its employees to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of the Business and Professions Code of the State of California (e.g., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of such provisions by its employees.

19. CONFLICT OF INTEREST:

A. No County employee whose position in County enables him/her to influence the award or administration of this Agreement or any competing Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor, or have any other direct or indirect financial interest in this Agreement. No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written disclosure shall include, without limitation, identification of all persons implicated and complete description of all relevant circumstances.

20. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, CERTIFICATES: Contractor shall obtain and maintain during the term of this Agreement, all appropriate licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law for the operation of its business and for the provision of services hereunder. Contractor shall ensure that all of its officers,

employees, and agents who perform services hereunder obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law which are applicable to their performance hereunder. Contractor shall provide a copy of each required license, permit, registration, accreditation, and certificate upon request of County's DPH at any time during the term of this Agreement.

21. PURCHASES:

A. Purchase Practices: To the extent applicable to Contractor, Contractor shall fully comply with all federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, in acquiring all furniture, fixtures, equipment, materials, and supplies obtained by Contractor using any Contract funds designated for such purpose.

B. Proprietary Interest of County: In accordance with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, County shall retain all proprietary interest, except their use during the term of this Agreement, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any contract funds designated for such purpose. Upon the expiration or earlier termination of this Agreement, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Agreement, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within thirty (30) calendar days of

filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor, shall attach identifying labels on all such property indicating the proprietary interest of County.

C. Inventory Records, Controls, and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose. Within ninety (90) calendar days following the effective date of this Agreement, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose.

D. Protection of Property in Contractor's Custody:
Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose, against any damage or loss by fire, burglary, theft, disappearance, vandalism, or misuse. Contractor shall contact Director for instructions for disposition of any such property which is worn out or unusable.

E. Disposition of Property in Contractor's Custody:

Upon the termination of the funding of any program covered by this Agreement, or upon the expiration or earlier termination of this Agreement, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by Director or his authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose, in the same condition as such property was received by Contractor, reasonable wear and tear expected; or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement, or adjustment connected with such property shall be in accordance with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives.

22. RETURN OF COUNTY MATERIALS: At expiration or earlier termination of this Agreement, Contractor shall provide an accounting of any unused or unexpended supplies purchased by Contractor with funds obtained and designated for such purpose, pursuant to this Agreement and shall deliver such supplies to County upon County's request.

23. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS: To the extent Contractor has premises located in Los Angeles County, Contractor shall assure that the locations where services are provided under provisions of this Agreement are operated at all times in accordance with County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety,

landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facilities in Los Angeles County shall include a review of compliance with the provisions of this Paragraph.

24. TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS, AND CONVENIENCE:

A. Termination for Insolvency: County may terminate this Agreement immediately for default in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and whether Contractor is insolvent within the meaning of the federal Bankruptcy Law or not;

(2) The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

(3) The appointment of a Receiver or Trustee for Contractor;

(4) The execution by Contractor of an assignment for the benefit of creditors.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

B. Termination by County For Contractor's Default: County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Agreement as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. Termination For Gratuities and/or Improper Consideration: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed

under this Agreement, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by Contractor. Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861. (Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

D. Termination For Convenience: The performance of services under this Agreement may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest. Termination of services hereunder shall be effected by delivery to Contractor of a thirty (30) calendar day advance Notice of Termination specifying the extent to which performance of services under this Agreement is terminated and the date

upon which such termination becomes effective. After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

- (1) Stop services under this Agreement on the date and to the extent specified in such Notice of Termination; and
- (2) Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Agreement, in accordance with Paragraph 10, Records and Audits, herein, retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Agreement in respect to the termination of services hereunder.

E. Termination by Contractor for County's default: Contractor may, by written notice of default to County, terminate this Agreement immediately in any one of the following circumstances:

(1) If County fails to make required payments when due, provided that Contractor provides County with notice of the default and provides County with thirty (30) days to cure such default.

(2) If, as determined in the reasonable judgment of Contractor, County fails to perform and/or comply with any of the other provisions of this agreement and does not cure such failure within a period of thirty (30) calendar days (or such longer period as Contractor may authorize in writing) after receipt of notice from Contractor specifying such failure.

25. FORCE MAJEURE: Contractor shall not be liable for any damages because of delays in any of its obligations hereunder, including but not limited to delivery, installation, maintenance or failure to manufacture that are due to causes beyond its reasonable control. Such causes shall include, but are not limited to, acts of God, acts of terrorism, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, quarantine restrictions, war, riot, delays in transportation and inability of Contractor (due to causes beyond its reasonable control) to obtain necessary labor, materials, components or manufacturing facilities or any other commercial impracticability (each such event, a "Force Majeure"). In the event of any such Force Majeure, the date of performance or delivery shall be extended for a period equal to the time lost by reason of such delay. In no event will Contractor be required to purchase any software,

hardware or services in the marketplace to meet its obligations hereunder or be required to purchase such necessary products or services upon unreasonable terms or at unreasonable prices. During any shortage of software or hardware or services to be provided hereunder, Contractor may apportion and allocate such products or services among itself and its subsidiaries, affiliates and customers as Contractor deems fit in its sole discretion.

26. NOTICE OF DELAYS: Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within five (5) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

27. RESOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Agreement, may exercise its right to invite bids or request proposals for the continued provision of the services delivered or contemplated under this Agreement. County and its Department of Public Health shall make the determination to resolicit bids or request proposals in accordance with applicable County and DPH policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Notwithstanding the foregoing, County agrees that only Contractor may provide services related to the maintenance and repair of Synapse software and that only Contractor-trained individuals may provide services related to the

maintenance and repair of any radiography equipment purchased by County.

Notwithstanding the foregoing, County agrees that only Contractor may provide services related to the maintenance and repair of Synapse software and that only Contractor-trained individuals may provide services related to the maintenance and repair of any radiography equipment purchased by County. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids or request for proposals by virtue of its present status as Contractor.

28. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County purchase orders and/ or contracts are in compliance with their court ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the federal Social Security Act (42 USC section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and

Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

B. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice by County shall be grounds upon which County may terminate this Agreement pursuant to the Termination for Default Paragraph of this Additional Provisions attachment to Agreement, and pursue debarment of Contractor pursuant to County Code Chapter 2.202.

29. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

30. GOVERNING LAWS, JURISDICTION, AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

31. WAIVER: No waiver of any breach of any provision of this Agreement by County shall constitute a waiver of any other breach of such provision. Failure of

County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.

32. SEVERABILITY: If any provisions of this Agreement or the application thereof to any person or circumstance are held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

33. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a federally funded health care program; and (2) any exclusionary action taken by any agency of the federal government against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal exclusion of Contractor or its staff members from such participation in a federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

34. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT: Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

35. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor under this Agreement, or other contracts, which indicates that Contractor is not responsible, County may or otherwise in addition to other remedies provided under this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which will generally not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by the circumstances, and

terminate this Agreement and any or all existing contracts Contractor may have with County.

C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of this Agreement or other contract with County, or a nonprofit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any public entity, or non-profit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, Director will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

E. County's Contractor Hearing Board will conduct a hearing where evidence on proposed debarment is presented. Contractor or Contractor's representative, or both, shall be given an opportunity to submit evidence at that hearing. After the hearing, County's Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor

and Director shall be provided an opportunity to object to the proposed decision prior to its presentation to County's Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of County's Contractor Hearing Board shall be presented to the Board of Supervisors. County's Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of County's Contractor Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed, (2) a bona fide change in ownership or management, (3) material evidence discovered after the debarment was imposed, or (4) any other reason that is in the best interest of County.

H. County's Contractor hearing Board will consider a request for review of a debarment determination only where (1) Contractor has been debarred for a period longer than five (5) years, (2) the debarment has been in effect for at least five (5) years, and (3) the request is in writing, states one or more of the grounds

for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, County's Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, County's Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by County's Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

County's Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. County's Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the County's Contractor Hearing Board.

I. These terms shall also apply to subcontractors/consultants of County contractors.

36. USE OF RECYCLED - CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.

37. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Services Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Services Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Services Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service served. Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Services Program provisions of the County Code as described hereinabove: "Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California

resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if:

1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Services Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Agreement term, and at its sole

discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

38. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through Purchase Order or Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support

Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

39. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW: The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

40. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW: The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services will supply the Contractor with the poster to be used.

EXHIBIT A

STATEMENT OF WORK

FUJIFILM MEDICAL SYSTEMS U.S.A., INC. PRODUCT REPAIR AND MAINTENANCE SERVICES

This Statement of Work is made pursuant to the Preventative Maintenance and Repair Services Agreement dated October 1, 2009 (the "Agreement") by and between the County of Los Angeles and FUJIFILM Medical Systems U.S.A., Inc. and is hereby incorporated into the Agreement by reference.

1. **SCOPE OF WORK:** Contractor shall provide services described in this Exhibit for products listed in Exhibit B, attached hereto and referenced herein, and as may be modified by Paragraph 2 ("DESCRIPTION OF SERVICES") of the Agreement. Contractor's services shall include, but not be limited to, the following:

- A. Development and maintenance of a comprehensive product inventory and preventive/maintenance schedule;
- B. Routine Preventive Maintenance Services;
- C. "As-Needed" repair services; and
- D. Development and maintenance of an Equipment Risk Management Program.

2. **DEFINITIONS:** Unless otherwise expressly provided or the context otherwise requires, the following definitions for the terms identified below shall be understood to be the meaning of such terms where used in this Exhibit.

- A. "Product" shall mean the Synapse Picture Archiving and Communications System software program and/or an instrument, apparatus, machine, or other similar or related article, including all operating software, components, parts, accessories, replacements, and/or upgrades, which is intended for the diagnosis, care, treatment, or monitoring of a facility patient.

B. "Routine Preventive Maintenance Services" shall mean services performed by Contractor to preserve the original functional and operational state of Product covered under the terms of this Agreement.

C. "Repair Services" shall mean the restoration of Product to its original function on an "As-Needed" basis, as may be required by the Public Health facility [hereafter, "facility(ies)"] in response to the failure or malfunctioning of such product. The repair process may also include servicing, reconditioning, modification, and refurbishment.

3. PROCEDURE:

A. Contractor shall provide County with technical assistance by telephone upon installation and use of the Products. Telephone support is maintained through a centralized Technical Assistance Center ("TAC"), which is available 24 hours a day at (800) 262-3854, including weekends and holidays.

B. Commencing upon installation and continuing through the term of the Agreement, Contractor shall have the right to access the Products in order to perform services hereunder and monitor the Products for audit purposes, and County is required to maintain a remote access method acceptable to Contractor to such Products that shall be available at all times to Contractor. Any information disclosed to Contractor pursuant to such remote access shall be considered confidential information of County.

C. If Contractor is unable to resolve County's problem remotely or through the TAC, as set forth herein, Contractor shall dispatch a County technical

to provide remedial and preventive maintenance services at Customer's location during the hours set forth in this Exhibit A. Barring a Force Majeure event, such technician shall arrive within four hours from County's initial call to the TAC.

D. Contractor Personnel Qualifications: Contractor personnel providing services hereunder shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance hereunder. Copies of such licenses, permits, registrations and certificates shall be made available to County upon request for purposes of inspection and audit.

E. Contractor shall assume the sole responsibility for the timely completion of all activities assigned or to be performed hereunder.

4. COUNTY PERSONNEL: County does not anticipate assigning County personnel or employees to assist Contractor on a full-time or part-time basis regarding services to be provided by Contractor pursuant to this Agreement. However, County personnel will be made available to Contractor to provide necessary input and assistance in order to answer questions and provide necessary liaisons between Contractor and County. In any event, County further will provide Contractor with an appropriate contact person at each work site location to be served under this Agreement.

5. COUNTY FURNISHED PROPERTY AND SERVICES: At the Director's sole discretion, County may assign space, chairs, and desks, on a non-exclusive basis, for work area and related, used by Contractor. In the event the Director assigns space

to the Contractor, Contractor shall use the space only for the purpose of performance of services hereunder. Contractor is prohibited from use of such space, desks, and chairs for purposes other than the performance of this Agreement.

At the Director's sole discretion, County may provide access to telephones, fax machines, typewriters, and photocopying equipment, on a non-exclusive basis, for the purpose of Contractor's performance of this Agreement. Contractor is prohibited from use of such equipment for the purposes other than for the performance of this Agreement.

6. SERVICES TO BE PERFORMED BY CONTRACTOR: Contractor shall provide the following services for all equipment listed in Exhibit B:

A. Comprehensive Product Inventory and Preventive Maintenance Schedule: Each year, Contractor shall, in collaboration with appropriate facility staff, develop and maintain a comprehensive Product inventory listing all Products covered under this Agreement. Such list shall include each equipment model number, serial/site number, and specific location (e.g., room number) at each facility. Such listing shall also include the Los Angeles County Capital Asset Leasing or Los Angeles County Number, where applicable.

Contractor shall provide each facility with a preventive maintenance service schedule for all Products covered under this Agreement. Contractor shall include, as part of such schedule, the preventive maintenance services requirements established by the facility for each Product listed in Exhibit B. In

any event, Contractor shall ensure that all Products are maintained to minimum regulatory compliance standards.

B. Routine Preventive Maintenance Services: Contractor shall perform routine Preventive Maintenance Services for Product covered under this Agreement, at the rates and frequency set forth in Schedule 1. Such services shall be performed on Monday through Friday between 8:30 a.m. and 5:00 p.m., excluding County holidays, on days and times mutually agreed upon by facility and Contractor. The scheduled number of Preventive Maintenance Services shall meet the reasonable needs of each facility, shall be performed at regularly scheduled intervals, and shall comply with all appropriate licensing and accrediting agencies [e.g., The Joint Commission, Occupational Safety and Health Administration ("OSHA") standards, as applicable]. In any event, Contractor shall ensure that all Products are maintained to minimum regulatory compliance standards.

Preventive maintenance services shall include, but not be limited to, inspection, cleaning and lubrication, safety inspection, functional tests and adjustments or calibrations necessary to facilitate proper functioning of the equipment, and replacement of worn, defective or broken parts with new parts specifically designed for the equipment.

Routine Preventive Maintenance Services exclude major overhaul, special services, and equipment installation, relocation, modification, and/or refurbishing.

C. "As-Needed" Product Repair Services: Contractor shall perform as-needed repair services within four (4) hours after notification by the facility, Monday through Friday between the hours of 8:30 a.m. through 5:00 p.m., excluding County holidays, at no additional cost to County.

If such services commence outside of the hours set forth in this Exhibit, the rates set forth in Schedule 1 shall apply, unless Contractor arrives at County's facility outside of the four (4) hour window required under this Agreement.

If the "As-Needed" repair emergency services are required after 5:00 p.m., Monday through Friday, or on weekends and County holidays, such services shall be billed to County at the rates specified in Schedule 1. If, upon arrival at facility, Contractor determines that the Products cannot be immediately repaired, then Contractor's service representative shall indicate, in writing, an estimated time frame for repair.

Repair and maintenance services provided by contractor shall be made on facility grounds and shall include all travel, labor, parts, and materials necessary to maintain said Products. Replacement parts shall be new or equivalent to new parts.

Repair shall include diagnosis and corrections of malfunctions and/or failure occurring to said Products. With approval by facility's Administrator or his designee, temporary repair procedures may be followed by County's personnel while Contractor is concurrently developing a permanent repair to said Products.

D. Risk Management Program: Contractor shall, in collaboration with facility staff, develop and maintain an Equipment Risk Management Program. Such Program shall require written documentation of all medical incidents that involve equipment covered under this Agreement, whereby such equipment has or may have caused or contributed to a patient's injury, serious illness, or death. Such documentation shall describe the incident, the equipment involved in the medical incident, and any subsequent examination of such equipment.

The facility administrator, or his designee, in consultation with Contractor and facility's Risk Manager, shall provide direct oversight of all activities to decommission, sequester, and examine any equipment which has been involved in a medical incident. Neither party shall use, clean, discard, alter, or repair any equipment involved in such incident prior to the said equipment's examination.

E. Additional Services:

(1) Breakage and/or Loss: Contractor shall replace and/or repair (at the time of servicing) any Products and/or parts thereof which suffer breakage, damage or loss at the time of servicing or repair, which is caused by the negligence or willful misconduct of Contractor, and to the extent thereof, at no additional cost to County.

(2) Rework: Contractor shall rework improperly repaired Products, correct any damage resulting therefrom, and supply all necessary parts and materials therefore at no additional cost to County, provided such damages is caused by Contractor's negligence or willful

misconduct. Service personnel shall also repair any defective parts purchased and installed by such service personnel and shall repair any damage to the Products resulting from, and to the extent of, Contractor's negligence or willful misconduct, at no additional cost to County.

(3) Major Equipment Overhaul Services: Contractor shall provide regularly scheduled major overhaul services for equipment, as necessary, during the scheduled preventive maintenance service.

(4) Product Abuse and/or Negligence: All breakage or damage to Products due to abuse and/or negligence shall first be verified and determined to be breakage or damage due to abuse and/or negligence by County personnel. Contractor shall repair such Products broken and/or damaged due to abuse and/or negligence on the part of facility personnel only with the prior written authorization of County. Such services shall be considered "Out-of-Scope" services and shall be billed at the rate set forth in Schedule1.

(5) Reports: Contractor shall prepare and maintain a written record of all services (service report) provided on each Product at the facility. Such service report(s) shall: (a) meet all licensing, accrediting and regulatory agency requirements; (b) clearly identify the Product serviced by model number, serial number, Los Angeles County Capital Asset Leasing or Los Angeles County number (if available); (c) include an itemization and description of services performed, including electrical

checks and calibration reading; (d) list any parts installed; (e) include the service date(s); and (f) give the name of the service technician who performed the service. A copy of such service report shall be given to designated radiology staff upon completion of service by the service technician. Such service reports are the property of County and shall remain on-site at each facility.

7. EXCLUSIONS: Contractor is not financially responsible to provide the repair services above, should any repair be required by causes other than ordinary use of the Product, as determined the County. Such causes include, but are not limited to:

A. Error, improper use (including without limitation any application or function of the Products not contemplated by the Agreement or the documentation), neglect, or unauthorized actions of County's employees, agents or invitees,

B. Misplacement, air conditioner or humidity control malfunction or failure, facility electrical system malfunction or failure;

C. Repair, maintenance, modification, relocation, or reinstallation by any person or entity other than Contractor-authorized personnel;

D. Natural disasters, fires, civil unrest, war, acts of sabotage, riots, accidents, or other causes;

E. Any third party software or hardware installed or used by County in connection with the Products;

- F. Use by County of any interfaces or devices not provided by Contractor in connection with the Products;
- G. Any electrical failure external to the Products that affects performance of the Products;
- H. Any network failure external to the Products that affects performance of the Products;
- I. Damage caused by transport of the Products by County or County's agents, other than in connection with ordinary use;
- J. Viruses introduced into the Products from a source other than the Products; or
- K. Unavailability to Contractor of remote access to the Products, whether or not caused by County.

In the event that excluded services are required by a facility, such services shall be billed to County at the hourly rates described in Schedule 1, or quarterly portion thereof, rounded up to the nearest quarter hour.

8. PRODUCT PERFORMANCE STANDARDS:

A. Uptime: The guaranteed performance uptime for each Product is a minimum of 95% (the performance of each Product will be reviewed quarterly to verify uptime performance standards, during each year the Products are covered under this Agreement).

Time spent on regularly scheduled maintenance will be excluded from these performance calculations. Additionally, time the Products are not operable

due to the factors set forth in Section 7(A) will also be excluded from these performance standards.

Should a Product fail to meet the uptime criteria in any calendar week, a credit based upon the service contract price for the affected system, for the calendar year, will be determined as follows:

<u>Product Uptime</u>	<u>Monthly Price Credit</u>
95.0% - 100.0% uptime	0%
90.0% - 94.9% uptime	5%
85.0% - 89.9% uptime	10%
80% - 84.9% uptime	15%
Below 79.9% uptime	20%

Product uptime below the 79.9% uptime defined above, for thirty (30) consecutive calendar days or more, shall be considered a default and County shall have the option to give Contractor notice thereof, pursuant to the Termination for Default Paragraph of the "ADDITIONAL PROVISIONS".

B. Liquidated Damages for Downtime or Out-of-Service Status: The Product shall be considered out-of-service if the Product is 100 percent (100%) inoperable or not able to perform the function it was designed to perform. County and Contractor will reasonably determine the out-of-service status of the Product. Downtime is calculated from the time County contacts TAC.

The basis for measurement is the total number of hours per day the Product is in service at facility, multiplied by the number of days in service per year, multiplied by 95 percent (95%). "In service" is defined as in use or in stand-by status available for use by facility.

Contractor shall maintain a log specifying the dates and the causes of all unplanned Product downtime. County will validate the log on a monthly basis. Credit shall be applied to the following year's invoice. Failure by County to assess downtime credit in the following year's invoice shall not constitute a waiver of such right, which County may exercise at any subsequent time.

9. GENERAL CONTRACTOR REQUIREMENTS:

A. Business License: Prior to the execution of this Agreement, Contractor shall provide the Department of Public Health, Contracts and Grants Division with a copy of its current business license(s) to the extent such licenses are required for Contractor to provide services under the Agreement, and appropriate Employer Identification Number.

B. Personnel: Contractor personnel providing services hereunder shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance hereunder. Copies of such licenses, permits, registrations and certificates shall be made available to County upon request for purposes of inspection and audit.

All contractor personnel as a minimum, shall have the knowledge and expertise in the following areas:

- (1) Diagnosis and inspection of Product to determine maintenance and repair needs;

- (2) Routine cleaning and lubrication of equipment, as necessary;
- (3) Electrical and safety inspections of equipment, as necessary;
- (4) Calibration and functional testing, as necessary; and
- (5) Legally required accreditation, regulatory and licensing needs for equipment serviced.

Contractor personnel shall be of a sufficient number so as to be available to provide maintenance and repair services to Product located at the facilities.

C. Infection Control: If any of Contractor's personnel are diagnosed with having an infectious disease, and Contractor is made aware of such a diagnosis and such person has had contact with a County employee or patient during the usual incubation period for such infectious disease, then Contractor shall report such occurrences to facility's Infection Control Department within twenty-four (24) hours of becoming aware of the diagnosis.

If a County employee or patient is diagnosed with having an infectious disease, and such County employee or patient has had contact with Contractor's personnel during the usual incubation period for such infectious disease, each facility shall report such occurrences to Contractor.

For purposes of this Agreement, the infectious diseases reportable hereunder are those listed in the Public Health's list of Reportable Diseases.

D. Physical Examination: Contractor shall ensure that each person who performs services at a facility site under this Agreement is examined by a licensed physician, or other licensed medical practitioner authorized to perform such physical examinations, on an annual basis or biannual basis, as required by The Joint Commission and Section 70723, Title 22, California Code of Regulations. Upon request by Director, Contractor shall provide County with evidence that each such person is free of infectious and/or contagious disease(s) which would interfere with the person's ability to perform the services hereunder or which could be transmitted in the work place at each facility. Such evidence shall include documentation that the person:

(1) Received a physical examination, including an initial/periodic chest x-ray, an annual tuberculin skin test, or tuberculosis (TB) symptoms evaluation; and

(2) Demonstrates immunity to measles (Rubeola), Rubella, and Hepatitis B viruses, as confirmed by antibody tests demonstrating such immunity. In instances where persons do not have immunity to these viruses, and have refused vaccination, a waiver to that effect must be on file and provided upon request.

Written certification that such person is free of infectious disease(s), has been tested and/or vaccinated as required above, and physically able to perform the duties described herein, shall be retained by Contractor for purposes of inspection and audit and made available to County upon request.

Fujifilm Medical Systems USA, Inc.
Digital Radiology Equipment Inventory

SPA	Facility	Room Type	Room No.	Equipment Type	Component Type	Make	Model	Serial No.	Confirmed	Asset Tag	IP Address	Subnet Mask	Default Gateway
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Power Supply	APC	Smart UPS 3000	DLA3000RMA2U					
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Power Supply	APC	Smart UPS 3000	JS0529025969					
	DPH-FERGUSON	DATA CENTER		PACS SERVER	External Storage	DELL	PowerVault 220S	DSN CN40C5240-37170-56H-0438		844LL81	NMFS-SSD-PRSV-01	5497359	
	DPH-FERGUSON	DATA CENTER		PACS SERVER	External Storage	DELL	PowerVault 220S	DSN CN40C5240-37170-56H-0442		DCJUL41	NMFS-SSD-LTO-D01	5497359	
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Dual-Drive Tape Library	DELL	PowerVault 132T	PENDING	Not Listed	539D481	NMFS-SSD-DLT-D01	5497359	
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Application Server	DELL	PowerEdge 2850	H8KCA81			NMFS-SSD-MPSV-D01		
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Application Server	DELL	PowerEdge 2850	9BMRPL81					
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Application Server	DELL	PowerEdge 1850	PENDING					
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Storage Server	DELL	PowerEdge 122T	MX-076843-71312-59E-5064			NMFS-SSD-TSSV-D01		
	DPH-FERGUSON	DATA CENTER		PACS SERVER	Rack Console	DELL	PowerEdge RC 15FP	638KL81					
1	ANTELOPE VALLEY HC	Radiology Suite	33	CR Reader		XSMARTCR		57035171B			159.225.228.167	255.255.255.0	159.225.228.2
1	ANTELOPE VALLEY HC	Radiology Suite	33	IIP	CPU	STOLEN/WILL REPLACE		BNMPR9B1			159.225.228.169	255.255.255.0	159.225.228.2
1	ANTELOPE VALLEY HC	Radiology Suite	33	IIP	Monitor			92SLUS6091929K			159.225.228.171	255.255.255.0	159.225.228.2
1	ANTELOPE VALLEY HC	TB Clinic	307	Clinical Workstation	CPU	DELL	OptiPlex 620	GDCWYB1			159.225.228.171	255.255.255.0	159.225.228.2
1	ANTELOPE VALLEY HC	TB Clinic	307	Clinical Workstation	Monitor	BARCO		1879007599					
1	ANTELOPE VALLEY HC	TB Clinic	307	Clinical Workstation	Monitor	BARCO		1879007731					
2	GLENDALIE HC	Radiology Suite	118	IIP	CR Reader	XSMARTCR		AG638H61123			159.225.50.208	255.255.255.0	159.225.50.2
2	GLENDALIE HC	Radiology Suite	118	IIP	CPU			D83N191			159.225.50.209	255.255.255.0	159.225.50.2
2	GLENDALIE HC	Radiology Suite	118	IIP	Monitor			92SLUS6523583K			159.225.53.99	255.255.255.0	159.225.53.2
2	GLENDALIE HC	TB Clinic	119	Clinical Workstation	CPU	DELL	OptiPlex 620	3DDCCB1			159.225.50.219	255.255.255.0	159.225.50.2
2	GLENDALIE HC	TB Clinic	119	Clinical Workstation	Monitor	BARCO		1890023062			159.225.53.100	255.255.255.0	159.225.53.2
2	GLENDALIE HC	TB Clinic	119	Clinical Workstation	Monitor	BARCO		1890024326			159.225.53.102	255.255.255.0	159.225.53.2
2	PACOMA HC	Radiology Suite	6	CR Reader		XSMARTCR		AG638H61117			159.225.53.99	255.255.255.0	159.225.53.2
2	PACOMA HC	Radiology Suite	6	IIP	CPU			8B4JMN1			159.225.53.100	255.255.255.0	159.225.53.2
2	PACOMA HC	Radiology Suite	6	IIP	Monitor			92SLUS6523597K			159.225.53.102	255.255.255.0	159.225.53.2
2	PACOMA HC	TB Clinic	10	Clinical Workstation	CPU	DELL	OptiPlex 620	DDCWYB1			159.225.53.102	255.255.255.0	159.225.53.2
2	PACOMA HC	TB Clinic	10	Clinical Workstation	Monitor	BARCO		1879007065			159.225.53.102	255.255.255.0	159.225.53.2
2	PACOMA HC	TB Clinic	10	Clinical Workstation	Monitor	BARCO		1879007066			159.225.53.102	255.255.255.0	159.225.53.2
2	PACOMA HC	TB Clinic	10	Clinical Workstation	Monitor	PLANAR		AG638H61119			159.225.53.99	255.255.255.0	159.225.53.2
3	MONTROVIA HC	Radiology Suite	15	CR Reader		XSMARTCR		56934806B			159.225.53.99	255.255.255.0	159.225.53.2
3	MONTROVIA HC	Radiology Suite	15	IIP	CPU			18CM191			159.225.53.100	255.255.255.0	159.225.53.2
3	MONTROVIA HC	Radiology Suite	15	IIP	Monitor			92SLUS6523591K			159.225.53.102	255.255.255.0	159.225.53.2

SPA	Facility	Room Type	Room No.	Equipment Type	Component Type	Make	Model	Serial No.	Confirmed	Asset Tag	IP Address	Subnet Mask	Default Gateway
4	CENTRAL HC	Radiology Suite	280	CR Reader	CR Reader	XSMARTCR		57035170B	5565223		159.225.136.4	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite	280	IIP	CPU			GS3NU91	5565223		159.225.136.5	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite	280	IIP	Monitor			925LUS5523589K	5565223		159.225.136.6	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	250	Clinical Workstation	CPU	DELL	OptiPlex 620	HFCWYB1	5565228		159.225.136.7	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	250	Clinical Workstation	Monitor	BARCO	EMC2M	1879007085	5497359		159.225.136.8	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	250	Clinical Workstation	Monitor	BARCO		1879007086	5497359		159.225.136.9	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	250	Clinical Workstation	Monitor	PLANAR		AG638H60592	5497359		159.225.136.10	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite	215	Radiologist Reading Station	CPU	DELL		6F92N81	5497359		159.225.136.7	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	215	Radiologist Reading Station	Monitor	BARCO	EMC2M	1890034424	5497359		159.225.136.6	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	215	Radiologist Reading Station	Monitor	BARCO		1890034428	5497359		159.225.136.5	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	215	Radiologist Reading Station	Monitor	NEC	UXI2080	52109877YA	5497359	S/B 52109877YA	159.225.136.8	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite	280	PACS CUBE	CPU	DELL	OptiPlex 520	8YX2V81	5497359	NOT IN AS400	159.225.136.9	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	280	PACS CUBE	Monitor			CN-DH545-46633-659-15MS			159.225.136.6	255.255.255.0	159.225.136.1
4	CENTRAL HC	TB Clinic	280	PACS CUBE	CD-BURNER	DATACARD SYS	NSO-HW-PCUB-2000	06259025	5629863		159.225.136.9	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite		AGFA DryPix Printer	Printer						159.225.136.9	255.255.255.0	159.225.136.1
4	CENTRAL HC	Radiology Suite		RadLink Digitizer	CPU	FUJI	PENDING	PENDING	5669200	WED 1/23/08	159.225.136.10	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	Radiology Suite		CR Reader	CR Reader	FUJI	PENDING	PENDING	5669200	WED 1/23/08	159.225.136.10	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	Radiology Suite		IIP	CPU	PENDING	PENDING	PENDING			159.225.136.11	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	TB Clinic	250	Clinical Workstation	CPU	DELL	PENDING	PENDING			159.225.136.12	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	TB Clinic	250	Clinical Workstation	Monitor	BARCO	PENDING	PENDING			159.225.136.13	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	TB Clinic	250	Clinical Workstation	Monitor	BARCO	PENDING	PENDING			159.225.136.14	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	TB Clinic	250	Clinical Workstation	Monitor	PLANAR	PENDING	PENDING			159.225.136.15	255.255.255.0	159.225.136.1
4	WEINGART SATELLITE TB CLINIC	TB Clinic	250	Clinical Workstation	Monitor	PLANAR	PENDING	PENDING			159.225.136.16	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	Radiology Suite		CR Reader	CR Reader	FUJI	Carbon X	66620684	5669200	WED 1/23/08	159.225.136.17	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	Radiology Suite		IIP	CPU	FUJI	BW JP4C1	5669200	5669200	WED 1/23/08	159.225.136.18	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	Radiology Suite		IIP	Monitor	PENDING	PENDING				159.225.136.19	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	JMWCH		Clinical Workstation	CPU	DELL	PRECISION 650	5TF0G31		NOT IN AS400	159.225.136.6	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	JMWCH		Clinical Workstation	Monitor	IBM	9503-DG3	98-T3063		NOT IN AS400	159.225.136.6	255.255.255.0	159.225.136.1
4	WEINGART JMWCH CLINIC	JMWCH		DryPix 4000	Laser printer	FUJI	DryPix 4000	67024455	5669200	WED 1/23/08	159.225.136.6	255.255.255.0	159.225.136.1
4	HOLLYWOOD-WILSHIRE HC	TB Clinic	1112	Clinical Workstation	CPU	DELL	OptiPlex 620	FHCWYB1	5634356		163.40.45.172	255.255.255.0	163.40.45.2
4	HOLLYWOOD-WILSHIRE HC	TB Clinic	1112	Clinical Workstation	Monitor	BARCO		1879007899	5634356		163.40.45.172	255.255.255.0	163.40.45.2
4	HOLLYWOOD-WILSHIRE HC	TB Clinic	1112	Clinical Workstation	Monitor	BARCO		1879007073	5634356		163.40.45.172	255.255.255.0	163.40.45.2
4	HOLLYWOOD-WILSHIRE HC	TB Clinic	1112	Clinical Workstation	Monitor	PLANAR		AG638H60594		NOT IN AS400	163.40.45.172	255.255.255.0	163.40.45.2
6	SOUTH HC	Radiology Suite	114	CR Reader	CR Reader	XSMARTCR		56634801B	5565224		159.225.106.122	255.255.255.0	159.225.106.2
6	SOUTH HC	Radiology Suite	114	IIP	CPU			C73N.J91	5565224		159.225.106.123	255.255.255.0	159.225.106.2
6	SOUTH HC	Radiology Suite	114	IIP	Monitor			925LUS5523581K	5565224		159.225.106.123	255.255.255.0	159.225.106.2
6	SOUTH HC	TB Clinic	118B	Clinical Workstation	CPU	DELL	OptiPlex 620	B9DQCB1	5634654		159.225.106.124	255.255.255.0	159.225.106.2
6	SOUTH HC	TB Clinic	118B	Clinical Workstation	Monitor	BARCO		1879008103	5634654		159.225.106.124	255.255.255.0	159.225.106.2
6	SOUTH HC	TB Clinic	118B	Clinical Workstation	Monitor	BARCO		1879008111	5634654		159.225.106.124	255.255.255.0	159.225.106.2
6	SOUTH HC	TB Clinic	118B	Clinical Workstation	Monitor	BARCO		1879008111	5634654		159.225.106.124	255.255.255.0	159.225.106.2
7	WHITTIER HC	Radiology Suite	228A	CR Reader	CR Reader	XSMARTCR		AG638H61126	5565228	NOT IN AS400	163.40.58.158	255.255.255.0	163.40.58.2
7	WHITTIER HC	Radiology Suite	228A	IIP	CPU			56934798B	5565228		163.40.58.159	255.255.255.0	163.40.58.2
7	WHITTIER HC	Radiology Suite	228A	IIP	Monitor			183NU91	5565228		163.40.58.159	255.255.255.0	163.40.58.2
7	WHITTIER HC	TB Clinic	230F	Clinical Workstation	CPU	DELL	OptiPlex 620	925LUS5523584K	5565228		163.40.58.160	255.255.255.0	163.40.58.2
7	WHITTIER HC	TB Clinic	230F	Clinical Workstation	Monitor	BARCO		76DVCB1	5634346		163.40.58.160	255.255.255.0	163.40.58.2
7	WHITTIER HC	TB Clinic	230F	Clinical Workstation	Monitor	BARCO		1879006144	5634346		163.40.58.160	255.255.255.0	163.40.58.2
7	WHITTIER HC	TB Clinic	230F	Clinical Workstation	Monitor	BARCO		1879006145	5634346		163.40.58.160	255.255.255.0	163.40.58.2
7	WHITTIER HC	TB Clinic	230F	Clinical Workstation	Monitor	PLANAR		AG638H61118		NOT IN AS400	163.40.58.160	255.255.255.0	163.40.58.2
8	CURTIS TUCKER HC	Radiology Suite	113	CR Reader	CR Reader	XSMARTCR		56634804B	5565785		159.225.98.158	255.255.255.0	159.225.98.2

Department of Public Health

Fujifilm Medical Systems USA, Inc.
Digital Radiology Equipment Inventory

SPA	Facility	Room Type	Room No.	Equipment Type	Component Type	Make	Model	Serial No.	Confirmed	Asset Tag	IP Address	Subnet Mask	Default Gateway
8	CURTIS TUCKER HC	Radiology Suite	113	IIP	CPU	DELL	OptiPlex 620	2B4JMG1	5565785		159.225.98.159	255.255.255.0	159.225.98.2
8	CURTIS TUCKER HC	Radiology Suite	113	IIP	Monitor	DELL	OptiPlex 620	925LUS523592K	5565785				
8	CURTIS TUCKER HC	TB Clinic	109F	Clinical Workstation	CPU	BARCO		DGCWYB1	5634351		159.225.98.160	255.255.255.0	159.225.98.2
8	CURTIS TUCKER HC	TB Clinic	109F	Clinical Workstation	Monitor	BARCO		1879007631	5634351				
8	CURTIS TUCKER HC	TB Clinic	109F	Clinical Workstation	Monitor	BARCO		1879007679	5634351				
8	CURTIS TUCKER HC	TB Clinic	109F	Clinical Workstation	Monitor	PLANAR		AG638H60588		NOT IN AS400			
8	TORRANCE HC	Radiology Suite	RAD SUITE	CR Reader	CR Reader	XSMARTR		56634799B	5565230		159.225.180.95	255.255.255.0	159.225.180.2
8	TORRANCE HC	Radiology Suite	RAD SUITE	IIP	CPU			GB3NJ91	5565230		159.225.180.96	255.255.255.0	159.225.180.2
8	TORRANCE HC	Radiology Suite	RAD SUITE	IIP	Monitor			925LUS523585K	5565230				
8	TORRANCE HC	TB Clinic	5	Clinical Workstation	CPU	DELL	OptiPlex 620	FFCWYB1	5634349		159.225.180.97	255.255.255.0	159.225.180.2
8	TORRANCE HC	TB Clinic	5	Clinical Workstation	Monitor	BARCO		1879006161	5634349				
8	TORRANCE HC	TB Clinic	5	Clinical Workstation	Monitor	BARCO		1879007076	5634349				
8	TORRANCE HC	TB Clinic	5	Clinical Workstation	Monitor	PLANAR		AG638H61121		NOT IN AS400			
NA	TB CONTROL PROGRAM	Program Office	507	Clinical Workstation	CPU	DELL	OptiPlex 745	4PV6LF1	5879217		ADDED TO CONTRACT 4/20/09		
NA	TB CONTROL PROGRAM	Program Office	507	Clinical Workstation	Monitor	BARCO		1890069984	5879217		ADDED TO CONTRACT 4/20/09		
NA	TB CONTROL PROGRAM	Program Office	507	Clinical Workstation	Monitor	BARCO		1890097019	5879217				
NA	TB CONTROL PROGRAM	Program Office	207	Clinical Workstation	Monitor	PLANAR		AG638H61120		NOT IN AS400			
											4/20/09 KWH		

**DEPARTMENT OF PUBLIC HEALTH
FUJIFILM MEDICAL SYSTEMS USA, INC. - RADIOGRAPHY SYSTEMS
FACILITY SPECIFICATION SHEET**

FACILITY ADDRESS AND PHONE NUMBER	BILLING ADDRESS
1. Antelope Valley Health Center 335-B East Avenue K-6 Lancaster, CA 93535 (661) 723-4503 ph (661) 723-4528 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
2. Central Health Center 241 North Figueroa Street Los Angeles, CA 90012 (213) 989-7132 ph (213) 250-5396 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
3. Curtis Tucker Health Center 123 W. Manchester Boulevard Inglewood, CA 90301 (310) 419-5321 ph (310) 673-3298 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
4. Glendale Health Center 501 North Glendale Avenue Glendale, CA 91206 (818) 500-5792 ph (818) 244-6906 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
5. Hollywood/Wilshire Health Center 5205 Melrose Avenue Los Angeles, CA 90038 (323) 769-7889 ph (323) 467-9573 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
6. Monrovia Health Center 330 West Maple Avenue Monrovia, CA 91016 (626) 256-1641 ph (626) 303-1084 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
7. Pacoima Health Center Pacoima Health Center 13300 Van Nuys Boulevard Pacoima, CA 91331 818.896.1903 ph 818.834.3961 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
8. Pomona Health Center 750 South Park Avenue Pomona, CA 91766 (909) 865-3845 ph (909) 868-0298 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
9. South Health Center 1522 East 102 nd Street Los Angeles, CA 90002 (323) 563-4095 ph (323) 357-7350 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022

FACILITY ADDRESS AND PHONE NUMBER	BILLING ADDRESS
10. Torrance Health Center 711 Del Amo Boulevard Torrance, CA 90502 (310) 419-5321 ph (310) 673-3298 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
11. Weingart Satellite Clinic 515 East 6 th Street, 1 st Floor Los Angeles, CA 90021 (213) 989-7132 ph (213) 250-5396 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022
12. Whittier Health Center 7643 South Painter Avenue Whittier, CA 90602 (562) 464-5357 ph (562) 693-4525 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022

**DEPARTMENT OF PUBLIC HEALTH
FUJIFILM MEDICAL SYSTEMS U.S.A., INC.
EMERALD SYNAPSE CRITICAL & PREFERRED SERVICE AGREEMENTS**

PUBLIC HEALTH CENTER	10/01/09-09/30/10	10/01/10-09/30/11	10/01/11-09/30/12	10/01/12-09/30/13	10/01/13-09/30/14	5 YEAR TOTAL MAXIMUM OBLIGATION
Antelope Valley	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Central	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Curtis Tucker	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Glendale	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Monrovia	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Pacoima	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Pomona	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
South	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Torrance	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
Weingart Satellite Clinic	\$0	\$6800	\$6800	\$6800	\$6800	\$27,200
Whittier	\$6800	\$6800	\$6800	\$6800	\$6800	\$34,000
LAC-DPH Synapse	\$60,998	\$62,174	\$62,174	\$62,174	\$62,174	\$309,694
Maximum Obligation	\$128,998	\$136,974	\$136,974	\$136,974	\$136,974	\$676,894

There is a 40% charge off standard labor rate for support service required outside of normal (8:30am-5:00pm, Monday through Friday) contract hours:
Overtime Normal (\$261/hour) – 5:00pm to 8:30am, Monday through Friday, and Saturday
Overtime Premium (\$348/hour) – Sundays and Holidays

EXHIBIT II

Contract No. _____

PREVENTIVE MAINTENANCE AND REPAIR SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day
of _____ 2009,

by and between COUNTY OF LOS ANGELES
(hereafter "County"),

and **FREEDOM IMAGING**
(hereafter "Contractor").

WHEREAS, pursuant to sections 1441 and 1445 of the California Health and Safety Code, County has established and operates, through its Department of Public Health (hereafter "DPH"), public health centers, and other health care facilities and programs (hereafter collectively referred to as "Facility(ies)"; and

WHEREAS, the term "Director" as used herein refers to the Director of County's DPH, or his authorized designee (hereafter jointly referred to as "Director"); and

WHEREAS, County desires the services of a Contractor to provide preventive maintenance and repair services on a regularly scheduled basis; and

WHEREAS, County has determined that the services to be provided under this Agreement are of a technical nature to the extent that DPH is unable to recruit qualified personnel with the requisite training, knowledge, or experience to perform such services; and

WHEREAS, Contractor is authorized under the laws of the State of California to engage in the business of providing preventive maintenance and repair services, and

possesses the competence, expertise, and personnel necessary to provide such services described hereunder; and

WHEREAS, this Agreement is authorized by provisions of section 1451 of the California Health and Safety Code and sections 26227 and 31000 of the California Government Code.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall commence October 1, 2009, and shall continue in full force and effect through September 30, 2014. In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, upon the giving of at least thirty (30) calendar days advance written notice to the other party. Further, County may also suspend the performance of services hereunder, in whole or in part, upon the giving of at least thirty (30) calendar days advance written notice to the Contractor. County's notice shall set forth the extent of the suspension and the requirements for full restoration of the performance obligations.

Notwithstanding any other provision of this Agreement, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issued pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time.

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the form as described in the body of this Agreement and Exhibit(s), attached hereto and incorporated herein by reference.

B. Contractor warrants that it possesses the competence, expertise, and personnel necessary to provide such services.

C. The Director may add or remove related equipment at DPH Facilities, as necessary, herein referenced as Exhibit B, to provide patient care or to assure that facility operations are maintained. Such maintenance and repair services shall include but not be limited to, warranty expiration, emergency repairs, and critical preventive maintenance.

D. The Director may add or delete County Facility service sites, herein referenced as Exhibit C, by providing at least thirty (30) days prior written notice to Contractor.

E. The Director may add or delete equipment to be serviced/maintained, as necessary, by providing at least thirty (30) days prior written notice to Contractor.

3. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily the exclusive provider to County of services provided under the terms of this Agreement, and that County has, or may enter into, agreements (e.g. contracts) with other providers of such services, or may perform all or part of same, when possible, using County employees.

4. BILLING AND PAYMENT:

A. County agrees to compensate Contractor on an annual basis, in accordance with the terms set forth in Exhibit A (Statement of Work), Attachment(s), and/or Schedule(s), attached hereto and incorporated herein by reference.

B. Contractor shall bill DPH's Health Center(s), as listed in Exhibit C, c/o Department of Public Health, Financial Management, 5555 Ferguson Drive, Suite 100-50, Commerce, CA, 90022, hereunder according to the terms set forth in the payment requirements of said Exhibit.

C. All billing to County shall be in the name of Contractor as said name appears on the first page of this Agreement.

D. County shall pay Contractor within thirty (30) days of receipt of Contractor's complete and correct billing. In the event that a billing is submitted which contains some disputed items, County shall pay for all items on the invoice for which the information provided is complete and correct while the discrepant item(s) is/are being resolved.

E. Contractor Budget and Expenditures Reduction Flexibility: In order for County to maintain flexibility with regards to budget and expenditure reductions, Contractor agrees that Director may cancel this Agreement, without cause, upon the giving of ten (10) calendar days written notice to Contractor; or notwithstanding, Paragraph 18, Alteration of Terms, of this Agreement, Director may (consistent with federal, State, and/or County budget reductions) renegotiate the scope/description of work, maximum obligation, and budget of

this Agreement via an Administrative Amendment, as mutually agreed to and executed by the parties therein.

5. MAXIMUM OBLIGATION OF COUNTY:

A. The annual maximum obligation of County for all services provided hereunder shall not exceed Thirty Thousand, Seven Hundred Fifty-Eight Dollars (\$30,758), effective October 1, 2009 through September 30, 2010.

B. The Director may adjust the County's maximum obligation during each Fiscal Year ("FY") of the Agreement term by no more than twenty-five percent (25%) of the annual FY 2009-10 allocation (\$30,758) for unanticipated maintenance and repair services and/or if equipment is added/removed to/from any County Facility.

6. NON-APPROPRIATION OF FUNDS CONDITION:

Notwithstanding any other provision of this Agreement, County shall not be obligated by any provision of this Agreement during any of County's fiscal years unless funds to cover County's costs hereunder are appropriated by County's Board of Supervisors. In the event that funds are not appropriated for this Agreement, then this Agreement shall be deemed to have terminated on June 30th of the prior fiscal year. County shall notify Contractor in writing of such non-appropriation of funds at the earliest possible date.

7. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim against County for the payment of any monies, or reimbursements of any kind

whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement, even if Contractor's provision of such services were requested by County directly. Should Contractor receive any such payment, it shall immediately notify County and shall repay or return all such funds or reimbursements to County within a reasonable amount of time. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or termination of this Agreement.

8. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement.

9. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES: Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 9 and 10 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance

is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

A. Evidence of Coverage and Notice to County: A certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000) dollars, and list any County required endorsement forms.

Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, it's

insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles

Department of Public Health, Contracts and Grants Division

313 North Figueroa Street, Los Angeles, California, 90012

Attention of: Gary T. Izumi, Chief

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

B. Additional Insured Status and Scope of Coverage: The County of Los Angeles, its special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and

its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Provisions herein.

C. Cancellation of Insurance: Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

D. Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the County with an A.M. Best ratings of not less than A:VII unless otherwise approved by County.

E. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.

F. Contractor's Insurance Shall Be Primary: Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation: To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s') right of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

I. Sub-Contractor Insurance Coverage Requirements: Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

J. Deductibles and Self-Insured Retentions (SIRs): Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects to the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such

bond shall be executed by a corporate surety licensed to transact business in the State of California.

K. Claims Made Coverage: If any part of the Required Insurance is written on a claim made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

L. Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

M. Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

N. Alternative Risk Financing Programs: The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

O. County Review and Approval of Insurance Requirements: The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

10. INSURANCE COVERAGE REQUIREMENTS:

A. Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form "CG 00 01"), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million
Each Occurrence:	\$1 Million

B. Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form "CA 00 01") with limits of not less than \$1 Million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall include cover liability arising out of Contractor's use of autos pursuant to this Agreement, including "owned", "leased", "hired", and/or "non-owned" autos, as each may be applicable.

C. Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 Million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Professional Liability/Errors and Omissions: Insurance covering Contractor's liability arising from or related to this Agreement, with limits of not less than \$1 Million per claim and \$2 Million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

11. ASSIGNMENT AND DELEGATION:

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Subparagraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution

of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

12. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontractor's proposed effective date, and shall include:

(1) Identification of the proposed subcontractor, who shall be licensed as appropriate for provision of subcontract services, and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontractor.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. At least thirty (30) calendar days prior to the subcontract's proposed effective date, Contractor shall submit for review and approval to Director, a copy of the proposed subcontract instrument. With the Director's written approval of the subcontract instrument, the subcontract may proceed.

D. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirements under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any subcontract shall also not be

construed to limit in any way, any of County's rights or remedies contained in this Agreement.

E. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

F. In the event that County consents to any subcontracting, such consent shall be subject to County's right to give prior and continuing approval of any and all subcontractor personnel providing services under such subcontract. Contractor shall assure that any subcontractor personnel not approved by County shall be immediately removed from the provision of any services under the particular subcontract or that another action is taken, as requested by County.

G. In the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

H. Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

I. Director is hereby authorized to act for and on the behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

13. COMPLIANCE WITH APPLICABLE LAW:

A. Contractor shall comply with the requirements of all federal, State, and local laws, ordinances, regulations, rules, guidelines, and directives, applicable to its performance hereunder. To the extent there is any conflict between federal and State or local laws, the former shall prevail.

B. Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 8 shall be conducted

by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

14. CONTRACTOR'S OBLIGATIONS AS AN OTHER ENTITY UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"): Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records. Accordingly, Contractor shall instruct its officers, employees, and agents that they are not to pursue, or gain access to, patient medical records for any reason whatsoever.

Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Contractor or its officers, employees, and agents, may have inadvertent access to patient medical records. Contractor understands and agrees that neither it nor its officers, employees, or agents are to take advantage of such access for any purpose whatsoever. Additionally, in the event of such inadvertent

access, Contractor and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify Director that such access has been gained immediately, or upon the first reasonable opportunity to do so. In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions, claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Contractor's or its officers', employees', or agents', access to patient medical records. Contractor agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

15. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled "ADDITIONAL PROVISIONS", of which the terms and conditions therein contained are part of this Agreement.

16. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

17. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Agreement, including its ADDITIONAL PROVISIONS, and that of any Exhibit(s), Attachment(s), and any other documents incorporated herein by reference, the language found within this Agreement shall govern and prevail.

18. ALTERATION OF TERMS: The body of this Agreement, including its ADDITIONAL PROVISIONS, Exhibit(s), and any Attachment(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

19. CONTRACTOR'S OFFICE: Contractor's primary business office is located at 1401 East Ball Road, Suite E, Anaheim, California, 92805. Contractor's primary business telephone number is (714) 535-2520, facsimile/FAX number is (714) 535-2824, and electronic mail ("e-mail") address is mcardone@freedomimaging.com. Contractor shall notify County, in writing, of any changes made to Contractor's primary business address, business telephone number, facsimile/FAX number, and/or e-mail address, as listed herein, or any other business address, business telephone number, facsimile/FAX number, and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

20. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this

Agreement. Addresses and parties to be notified may be changed by providing at least ten (10) working days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

Department of Public Health
Contracts and Grants Division
313 North Figueroa Street, 6th Floor-West
Los Angeles, California 90012

Attention: Division Chief

B. Notices to Contractor shall be addressed as follows:

Freedom Imaging
1401 East Ball Road, Suite E
Anaheim, California 92805

Attention: Mark Cardone, Account Executive

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Director of Public Health, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

FREEDOM IMAGING
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
ROBERT E. KALUNIAN
Acting County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health

By _____
Gary T. Izumi, Chief
Contracts and Grants Division

ADDITIONAL PROVISIONS

DEPARTMENT OF PUBLIC HEALTH AGREEMENT

**FREEDOM IMAGING
EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR
RADIOGRAPHY IMAGING SYSTEMS**

ADDITIONAL PROVISIONS

EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR RADIOGRAPHY IMAGING SYSTEMS

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ADDITIONAL PROVISIONS

DEPARTMENT OF PUBLIC HEALTH EQUIPMENT MAINTENANCE AND REPAIR SERVICES FOR RADIOGRAPHY IMAGING SYSTEMS

1. ADMINISTRATION: County's Director of the Department of Public Health ("DPH") or his/her authorized designee(s) (hereafter collectively "Director") shall have the authority to administer this Agreement on behalf of County. Contractor agrees to extend to Director the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its facilities, or work areas, for contractual compliance at any reasonable time.

2. FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE:

A. Form of Business Organization: Contractor shall prepare and submit to Director upon request, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information with supportive documentation:

- (1) The form of Contractor's business organization, i.e., sole proprietorship, partnership, or corporation.
- (2) Articles of Incorporation and By-Laws.
- (3) A detailed statement indicating whether Contractor is totally or substantially owned by another business organization (i.e. another legal entity or parent corporation).
- (4) Board Minutes identifying who is authorized on behalf of Contractor to conduct business, make commitments, and enter into binding Agreements

with the County. A detailed statement indicating whether Contractor totally or partially owns any other business organization that will be providing services, supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Agreement.

(5) If, during the term of this Agreement, the form of Contractor's business organization changes, or the ownership of Contractor changes, or the Contractor's ownership of other businesses dealing with Contractor under this Agreement changes, Contractor shall notify Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

B. Fiscal Disclosure: Contractor shall prepare and submit to Director, within ten (10) calendar days following execution of this Agreement, a statement executed by Contractor's duly constituted officers, containing the following information:

(1) A detailed statement listing all sources of funding to Contractor including private contributions. The statement shall include the nature of the funding, services to be provided, total dollar amount, and period of time of such funding.

(2) If during the term of this Agreement, the source(s) of Contractor's funding changes, Contractor shall promptly notify the Director in writing detailing such changes.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, or condition of physical or mental handicap, in accordance with requirements of federal and State laws, or in any manner on the basis of the client's/ patient's sexual orientation. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner, or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation.

Facility access for handicapped must comply with the Rehabilitation Act of 1973, Section 504, where federal funds are involved, and Title III of the federal Americans with Disabilities Act of 1990.

Contractor shall further establish and maintain written procedures under which any person, applying for or receiving services hereunder, may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the provision of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be referred by Contractor to the Director for the purpose of presenting his or her complaint of alleged discrimination. Such procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, he or she may appeal the matter to the State Department of Public Health' Affirmative Action Division. At the time any person applies for services under this Agreement, he or she shall be advised by Contractor of these procedures.

A copy of such procedures, as identified hereinabove, shall be posted by Contractor in a conspicuous place, available and open to the public, in each of Contractor's facilities where services are provided hereunder.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the Americans with Disabilities Act, the Rehabilitation Act of 1973, and all other federal and State laws, as they now exist or may hereafter be amended, that it shall not discriminate against any employee or applicant for employment because of, race, color, religion, national origin, ethnic group identification, ancestry, sex, age, or condition of physical or mental handicap, or sexual orientation. Contractor shall take affirmative action to ensure that qualified applicants are employed, and that

employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation in accordance with requirements of federal and State laws. Such action shall include, but shall not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees and applicants for employment, and notices setting forth the provisions of this Paragraph.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining Agreement or other contract of understanding a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractors, bidders, or vendors without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

E. Contractor shall allow federal, State, and County representatives, duly authorized by Director, access to its employment records during regular business hours in order to verify compliance with the anti-discrimination provisions of this Paragraph. Contractor shall provide such other information and records as such representatives may require in order to verify compliance with the anti-discrimination provisions of this Paragraph.

F. If County finds that any provisions of this Paragraph have been violated, the same shall constitute a material breach of contract upon which Director may suspend or County may determine to terminate this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated federal or State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

G. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Paragraph, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code

Section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this Agreement.

5. FAIR LABOR STANDARDS ACT: Contractor shall comply with all applicable provisions of the federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its agents, officers, and employees from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law including, but not limited to, the federal Fair Labor Standards Act for services performed by Contractor's employees for which County may be found jointly or solely liable.

6. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations, as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County, its officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

7. STAFFING AND STAFF DEVELOPMENT: Contractor shall operate continuously throughout the term of this Agreement with at least the minimum number of staff required by County. Such personnel shall be qualified in accordance with standards established by County. In addition, Contractor shall comply with any additional staffing requirements which may be included in the Exhibit(s) attached hereto.

During the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of persons by name, title, professional degree, salary, and experience who are providing services hereunder. Contractor also shall indicate on such list which persons are appropriately qualified to perform services hereunder. If an executive director, program director, or supervisory position becomes vacant during the term of this Agreement, Contractor shall, prior to filling said vacancy, notify Director. Contractor shall provide the above set forth required information to Director regarding any candidate prior to any appointment. Contractor shall institute and maintain appropriate supervision of all persons providing services pursuant to this Agreement.

Contractor shall institute and maintain a training/staff development program pertaining to those services described in the Exhibit(s) attached hereto. Appropriate training/staff development shall be provided for treatment, administrative, and support personnel. Participation of treatment and support personnel in training/staff development should include in-service activities. Such activities shall be planned and scheduled in advance; and shall be conducted on a continuing basis. Contractor shall

develop and institute a plan for an annual evaluation of such training/staff development program.

8. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, or other compensation or benefits to any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall bear the sole liability and responsibility for any and all workers' compensation benefits to any person as a result of injuries arising from or connected with services performed by or on behalf of Contractor pursuant to this Agreement.

D. **ACKNOWLEDGMENT** that each of Contractor's employees understands that such person is an employee of Contractor and not an employee of County shall be signed by each employee of Contractor performing services under his Agreement and shall be filed with County's Department of Human Resources, Health, Safety, and Disability Benefits Division, 3333 Wilshire Boulevard, 10th Floor, Los Angeles, California 90010. The form and content of such **ACKNOWLEDGMENT** shall be substantially similar to Exhibit ___, attached hereto and incorporated herein by reference.

9. **CONTRACTOR'S WILLINGNESS TO CONSIDER COUNTY'S EMPLOYEES**

FOR EMPLOYMENT: Contractor agrees to receive referrals from County's Department of Human Resources of qualified permanent employees who are targeted for layoff or qualified former employees who have been laid off and are on a reemployment list during the life of this Agreement. Such referred permanent or former County employees shall be given first consideration of employment as Contractor vacancies occur after the implementation and throughout the term of this Agreement.

Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary of this Agreement.

10. **CONSIDERATION OF GAIN/GROW PROGRAM PARTICIPANTS FOR**

EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement, Contractor shall give consideration for any such employment openings to participants in County's Department of Public Social Services'

Greater Avenues for Independence ("GAIN") Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. County will refer GAIN/GROW participants by job category to Contractor.

If contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services GAIN/GROW staff at GAINGROW@dpss.lacounty.gov.

11. STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE:

Contractor shall ensure that no employee or physician performs services while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

12. RECORDS AND AUDITS:

A. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with written guidelines, standards, and procedures which may from time to time be promulgated by Director. Such records shall clearly reflect the actual cost of the type of service for which payment is claimed and shall include, but not be limited to:

(1) Books of original entry which identifies all designated donations, grants, and other revenues, including County, federal, and State revenues and all costs by type of service.

(2) A General Ledger.

(3) A written cost allocation plan which shall include reports, studies, statistical surveys, and all other information Contractor used to identify and allocate indirect costs among Contractor's various services. Indirect costs shall mean those costs incurred for a common or joint objective which cannot be identified specifically with a particular project or program.

(4) Personnel records which show the percentage of time worked providing services claimed under this Agreement. Such records shall be corroborated by payroll timekeeping records, signed by the employee and approved by the employee's supervisor, which show time distribution by programs and the accounting for total work time on a daily basis. This requirement applies to all program personnel, including the person functioning as the executive director of the program, if such executive director provides services claimed under this Agreement.

(5) Personnel records which account for the total work time of personnel identified as indirect costs in the approved contract budget. Such records shall be corroborated by payroll timekeeping records signed by the employee and approved by the employee's supervisor. This requirement applies to all such personnel, including the executive director of the program, if such executive director provides services claimed under this Agreement.

The entries in all of the aforementioned accounting and statistical records must be readily traceable to applicable source documentation (e.g., employee

timecards, remittance advice, vendor invoices, appointment logs, client/patient ledgers). All financial records shall be retained by Contractor at a location in Southern California during the term of this Agreement and for a minimum period of five (5) years following expiration or earlier termination of this Agreement, or until federal, State and/or County audit findings are resolved, whichever is later. During such retention period, all such records shall be made available during normal business hours to authorized representatives of federal, State, or County governments for purposes of inspection and audit. In the event records are located outside Los Angeles County, Contractor shall pay County for all travel, per diem and other costs incurred by County for any inspection and audit at such other location.

Preservation of Records: If following termination of this Agreement Contractor's facility is closed or if ownership of Contractor changes, within forty-eight (48) hours thereafter, the Director is to be notified thereof by Contractor in writing and arrangements are to be made by Contractor for preservation of the client/patient and financial records referred to hereinabove.

B. Audit Reports: In the event that an audit of any or all aspects of this Agreement is conducted of Contractor by any federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, Contractor shall file a copy of each such audit report(s) with the Director and County's Department of Public Health - Financial Services Division, and County's Auditor Controller within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise

provided for under this Agreement, or under applicable federal or State regulations. To the extent permitted by law, County shall maintain the confidentiality of such audit report(s).

C. Independent Audit: Contractor's financial records shall be audited by an independent auditor for every year that this Agreement is in effect.

The audit shall satisfy the requirement of the federal Office of Management and Budget (OMB) Circular Number A-133. The audit shall be performed by an independent Auditor in accordance with Governmental Financial Auditing Standards developed by the Comptroller General of the United States, and any other applicable federal, State, or County statutes, policies, or guidelines. Contractor shall file such audit report(s) with the County's Department of Public Health - Financial Services Division no later than ninety (90) calendar days from the completion of the audit.

The independent auditor's work papers shall be retained for a minimum of three (3) years from the date of the report, unless the auditor is notified in writing by County to extend the retention period. Audit work papers shall be made available for review by federal, State, or County representatives upon request.

D. Program/Fiscal Review: In the event County representatives conduct a program review or financial evaluation of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all financial records, medical records, program records, and any other records pertaining to services provided under this Agreement.

Additionally, Contractor shall make its personnel, facilities, and medical protocols available for inspection at reasonable times by authorized representatives of County. Contractor shall be provided with a copy of any written program review or financial evaluation reports. Contractor shall have the opportunity to review County's program review and financial evaluation reports, and shall have thirty (30) calendar days after receipt of County's findings to review the results and to provide documentation to County to resolve exceptions. If, at the end of the thirty (30) day period, there remain exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit or sample results thereafter shall be applied to the total County payments made to Contractor for all claims paid during the program review or financial evaluation period under review to determine Contractor's liability to County.

E. Failure to Comply: Failure of Contractor to comply with the terms of this Paragraph shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Agreement.

13. REPORTS:

A. Contractor shall submit to County the following reports showing timely payment of employees' federal and State income tax withholding:

(1) Within ten (10) calendar days of filing with the federal or State government, a copy of the federal and State quarterly income tax withholding return, federal Form 941, and State Form DE-3 or their equivalent.

(2) Within ten (10) calendar days of each payment, a copy of a receipt for or other proof of payment of federal and State employees' income tax withholding whether such payments are made on a monthly or quarterly basis.

Required submission of the above quarterly and monthly reports by Contractor may be waived by Director based on Contractor's performance reflecting prompt and appropriate payment of obligations. Requirements of this Subparagraph A shall not apply to governmental agencies.

B. Contractor shall make other reports as required by Director concerning Contractor's activities as they affect the contract duties and purposes contained herein. In no event, however, may County require such reports unless it has provided Contractor with at least thirty (30) calendar days' prior written notification thereof. County shall provide Contractor with a written explanation of the procedures for reporting the required information.

14. CONFIDENTIALITY: Contractor agrees to maintain the confidentiality of all patient records and information, in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and directives relating to confidentiality. Contractor shall inform all of its officers, employees, agents, independent contractors and others providing services hereunder in writing of the confidentiality provisions of this Agreement. A copy of such document informing all of its officers, employees, agents and independent contractors of the provisions of this Paragraph shall be retained by

Contractor for purposes of inspection and audit and made available to County upon request.

15. CONTRACTOR'S OBLIGATIONS AS A NON-BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"): Contractor expressly acknowledges and agrees that the provisions of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records. Accordingly, Contractor shall instruct its officers, employees, and agents that they are not to pursue or gain access to patient medical records for any reason whatsoever.

Notwithstanding the foregoing, the parties acknowledge that, in the course of the provision of services hereunder, Contractor or its officers, employees, or agents, may have inadvertent access to patient medical records. Contractor understands and agrees that neither Contractor nor its officers, employees, or agents are to take advantage of such access for any purpose whatsoever. Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents shall maintain the confidentiality of any information obtained and shall notify DPH management personnel that such access has been gained immediately, or upon the first reasonable opportunity to do so.

In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents from and against any and all liability, including but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees) arising from or

connected with Contractor's or its officers, employees' or agents' access to patient medical records. Contractor agrees to provide appropriate training to its officers, employees, and agents, regarding their obligation in this regards.

16. PUBLIC ANNOUNCEMENTS AND LITERATURE: Contractor agrees that all materials, public announcements, literature, audiovisuals, and printed materials utilized in association with this Agreement, shall have prior written approval from the Director prior to its publication, printing, duplication, and implementation with this Agreement. All such materials, public announcements, literature, audiovisuals, and printed material shall include an ACKNOWLEDGMENT that funding for such public announcements, literature, audiovisuals, and printed materials was made possible by the County of Los Angeles, Department of Public Health.

Contractor further agrees that all public announcements, literature, audiovisuals, and printed material developed or acquired by Contractor or otherwise, in whole or in part, under this Agreement, and all works based thereon, incorporated therein, or derived therefore, shall be the sole property of County.

Contractor hereby assigns and transfers to County in perpetuity for all purposes all Contractor's rights, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights and all renewals and extensions thereof.

With respect to any such items which come into existence after the commencement date of the Agreement, Contractor shall assign and transfer to County in perpetuity for all purposes, without any additional consideration, all Contractor's

rights, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights and all renewals and extensions thereof.

For the purposes of this Agreement, all such items shall include, but not be limited to, written materials (e.g., curricula, text for vignettes, text for public service announcements for any and all media types, pamphlets, brochures, fliers), audiovisual materials (e.g., films, videotapes), and pictorials (e.g., posters and similar promotional and educational materials using photographs, slides, drawings, or paintings).

17. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or impose other penalties as specified in this Agreement.

18. RESTRICTIONS ON LOBBYING:

A. Federal Certification and Disclosure Requirement: If any federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (Title 31, U.S.C., Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors

receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

B. County Lobbyists: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Agreement.

19. UNLAWFUL SOLICITATION: Contractor shall require all of its employees performing services hereunder to acknowledge in writing understanding of and Agreement to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of the Business and Professions Code of the State of California (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of such provisions by its employees. Contractor shall utilize the attorney referral services of all those bar associations within Los Angeles County that have such a service.

20. CONFLICT OF INTEREST:

A. No County employee whose position in County enables him/her to influence the award or administration of this Agreement or any competing

Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor, or have any other direct or indirect financial interest in this Agreement. No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written disclosure shall include, without limitation, identification of all persons implicated and complete description of all relevant circumstances.

21. BOARD OF DIRECTORS: Contractor's Board of Directors shall serve as the governing body of the agency. Contractor's Board of Directors shall be comprised of individuals as described in its By-Laws; meet not less than required by the By-Laws; and record statements of proceedings which shall include listings of attendees, absentees, topics discussed, resolutions, and motions proposed with actions taken, which shall be available for review by federal, State, or County representatives. The Board of Directors shall have a quorum present at each Board meeting where formal

business is conducted. A quorum is defined as one person more than half of the total Board membership.

Contractor's Board of Directors shall oversee all agency contract-related activities. Specific areas of responsibility shall include executive management, personnel management, fiscal management, fund raising, public education and advocacy, Board recruitment and Board member development, i.e., training and orientation of new Board members and ongoing in-service education for existing members.

22. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS,

CERTIFICATES: Contractor shall obtain and maintain during the term of this Agreement, all appropriate licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law for the operation of its business and for the provision of services hereunder. Contractor shall ensure that all of its officers, employees, and agents who perform services hereunder obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law which are applicable to their performance hereunder. Contractor shall provide a copy of each license, permit, registration, accreditation, and certificate upon request of County's DPH at any time during the term of this Agreement.

23. PURCHASES:

A. Purchase Practices: Contractor shall fully comply with all federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and

directives, in acquiring all furniture, fixtures, equipment, materials, and supplies. Such items shall be acquired at the lowest possible price or cost if funding is provided for such purposes hereunder.

B. Proprietary Interest of County: In accordance with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, County shall retain all proprietary interest, except their use during the term of this Agreement, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any contract funds designated for such purpose. Upon the expiration or earlier termination of this Agreement, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Agreement, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within thirty (30) calendar days of filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor, shall attach identifying labels on all such property indicating the proprietary interest of County.

C. Inventory Records, Controls, and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose. Within ninety (90) calendar days following

the effective date of this Agreement, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose.

D. Protection of Property in Contractor's Custody:

Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose, against any damage or loss by fire, burglary, theft, disappearance, vandalism, or misuse. Contractor shall contact Director for instructions for disposition of any such property which is worn out or unusable.

E. Disposition of Property in Contractor's Custody:

Upon the termination of the funding of any program covered by this Agreement, or upon the expiration or earlier termination of this Agreement, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by Director or his authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose, in the same condition as such property was received by Contractor, reasonable wear and tear expected; or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement, or adjustment connected with such property shall be in accordance

with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives.

24. RETURN OF COUNTY MATERIALS: At expiration or earlier termination of this Agreement, Contractor shall provide an accounting of any unused or unexpended supplies purchased by Contractor with funds obtained pursuant to this Agreement and shall deliver such supplies to County upon County's request.

25. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS: Contractor shall assure that the locations where services are provided under provisions of this Agreement are operated at all times in accordance with County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facilities shall include a review of compliance with the provisions of this Paragraph.

26. TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS, AND CONVENIENCE:

A. Termination for Insolvency: County may terminate this Agreement immediately for default in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and

whether Contractor is insolvent within the meaning of the federal Bankruptcy Law or not;

(2) The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

(3) The appointment of a Receiver or Trustee for Contractor;

(4) The execution by Contractor of an assignment for the benefit of creditors.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

B. Termination For Default: County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such

longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Agreement as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. Termination For Gratuities and/or Improper Consideration: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed under this Agreement, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by Contractor. Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the

County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861. (Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

D. Termination For Convenience: The performance of services under this Agreement may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest.

Termination of services hereunder shall be effected by delivery to Contractor of a thirty (30) calendar day advance Notice of Termination specifying the extent to which performance of services under this Agreement is terminated and the date upon which such termination becomes effective. After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

- (1) Stop services under this Agreement on the date and to the extent specified in such Notice of Termination; and
- (2) Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and invoice within the

time allowed, County may determine on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Agreement, in accordance with Paragraph 10, Records and Audits, herein, retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Agreement in respect to the termination of services hereunder.

27. CONTRACTOR'S PERFORMANCE DURING CIVIL UNREST OR

DISASTER: Contractor recognizes that health care facilities maintained by County provide care essential to the residents of the communities they serve, and that these services are of particular importance at the time of riot, insurrection, civil unrest, natural disaster, or similar event. Notwithstanding any other provision of this Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster, or similar event is not excused if such performance remains physically possible. Failure to comply with this requirement shall be considered a material breach by Contractor for which Director may suspend or County may immediately terminate this Agreement.

28. NOTICE OF DELAYS: Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within two

(2) calendar days, give notice thereof, including all relevant information with respect thereto, to the other party.

29. RESOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Agreement, may exercise its right to invite bids or request proposals for the continued provision of the services delivered or contemplated under this Agreement. County and its Department of Public Health shall make the determination to resolicit bids or request proposals in accordance with applicable County and DHS policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids or request for proposals by virtue of its present status as Contractor.

30. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County purchase orders and/ or contracts are in compliance with their court ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to

comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the federal Social Security Act (42 USC section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

B. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice by County shall be grounds upon which County may terminate this Agreement pursuant to the Termination for Default Paragraph of this Additional Provisions attachment to Agreement, and pursue debarment of Contractor pursuant to County Code Chapter 2.202.

31. **CONSTRUCTION:** To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be

deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

32. GOVERNING LAWS, JURISDICTION, AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor hereby agrees and consents to submit to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action (other than an appeal or an enforcement of a judgment) brought by Contractor, on Contractor's behalf, or on the behalf of any subcontractor which arises from this Agreement or is concerning or connected with services performed pursuant to this Agreement, shall be exclusively in the courts of the State of California located in Los Angeles County, California.

33. WAIVER: No waiver of any breach of any provision of this Agreement by County shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.

34. SEVERABILITY: If any provisions of this Agreement or the application thereof to any person or circumstance are held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

35. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff

members is restricted or excluded from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a federally funded health care program; and (2) any exclusionary action taken by any agency of the federal government against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal exclusion of Contractor or its staff members from such participation in a federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

36. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT: Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

37. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor under this Agreement, or other contracts, which indicates that Contractor is not responsible, County may or otherwise in addition to other remedies provided under this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which will generally not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate this Agreement and any or all existing contracts Contractor may have with County.

C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of this Agreement or other contract with County, or a nonprofit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any public entity, or non-profit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense

which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, Director will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

E. County's Contractor Hearing Board will conduct a hearing where evidence on proposed debarment is presented. Contractor or Contractor's representative, or both, shall be given an opportunity to submit evidence at that hearing. After the hearing, County's Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and Director shall be provided an opportunity to object to the proposed decision prior to its presentation to County's Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of County's Contractor Hearing Board shall be presented to the Board of Supervisors. County's Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of County's Contractor Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5)

years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed, (2) a bona fide change in ownership or management, (3) material evidence discovered after the debarment was imposed, or (4) any other reason that is in the best interest of County.

H. County's Contractor hearing Board will consider a request for review of a debarment determination only where (1) Contractor has been debarred for a period longer than five (5) years, (2) the debarment has been in effect for at least five (5) years, and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, County's Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, County's Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by County's Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

County's Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate

the debarment. County's Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the County's Contractor Hearing Board.

I. These terms shall also apply to subcontractors/consultants of County contractors.

38. USE OF RECYCLED - CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.

39. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Services Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Services Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Services Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that

provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service served.

Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Services Program provisions of the County Code as described hereinabove:

"Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if:

- 1) the lesser number is a recognized industry standard as determined by the County, or
- 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The

provisions of this Paragraph shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Services Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Agreement term, and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

40. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD

SUPPORT COMPLIANCE PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through Purchase Order or Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

41. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED

BABY LAW: The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

42. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW: The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services will supply the Contractor with the poster to be used.

EXHIBIT A
STATEMENT OF WORK
FREEDOM IMAGING
EQUIPMENT REPAIR AND MAINTENANCE SERVICES

1. SCOPE OF WORK: Contractor shall provide services described in this Exhibit for equipment listed in Exhibit B, attached hereto and referenced herein, and as may be modified by Paragraph 2 ("DESCRIPTION OF SERVICES") of the Agreement. Contractor's services shall include, but not be limited to, the following:

- A. Development and maintenance of a comprehensive equipment inventory and preventive/maintenance schedule;
- B. Routine Preventive Maintenance Services;
- C. "As-Needed" repair services; and
- D. Development and maintenance of an Equipment Risk Management Program.

2. DEFINITIONS: Unless otherwise expressly provided or the context otherwise requires, the following definitions for the terms identified below shall be understood to be the meaning of such terms where used in this Exhibit.

- A. "Equipment" shall mean an instrument, apparatus, machine, or other similar or related article, including all operating software, components, parts, accessories, replacements, and/or upgrades, which is intended for the diagnosis, care, treatment, or monitoring of a facility patient.
- B. "Routine Preventive Maintenance Services" shall mean services performed by Contractor to preserve the original functional and operational state of Equipment covered under the terms of this Agreement.

C. "Repair Services" shall mean the restoration of Equipment to its original function on an "As-Needed" basis, as may be required by the Public Health facility [hereafter, "facility(ies)"] in response to the failure or malfunctioning of such equipment. The repair process may also include servicing, reconditioning, modification, and refurbishment.

3. CONTRACTOR PERSONNEL:

A. Contractor shall designate an administrator to lead and coordinate Contractor's day-to-day provision of services described hereunder. Contractor's administrator shall be available at all reasonable times (Monday through Friday, 8:00 a.m. to 5:00 p.m.), excluding County holidays, to act as a central point of contact with County personnel.

Contractor shall notify County, in writing, of the name, telephone (e.g., cellular phone), pager, and facsimile/FAX number(s) of Contractor's designated day-to-day administrator within ten (10) calendar days prior to the effective date of this Agreement.

B. Contractor's administrator shall be responsible for determining daily work duties, staffing levels, scheduling, and staffing hours needed to properly provide services hereunder, which shall be prepared in writing and submitted to the Director for approval, before any such services are provided. During the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of Director, the names of Contractor's staff (including any subcontractor staff), their titles, professional degrees (if any), salary history, and experience in providing services hereunder.

C. Contractor's administrator shall institute and maintain appropriate supervision of all persons providing services pursuant to this Agreement. Further, unless directed pursuant to this Agreement by Director to do otherwise, Contractor shall work independently on designated assignments in accordance with the Statement of Work duties contained hereunder.

D. Contractor Personnel Qualifications: Contractor personnel providing services hereunder shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance hereunder. Copies of such licenses, permits, registrations and certificates shall be made available to County upon request for purposes of inspection and audit.

E. Contractor shall assume the sole responsibility for the timely completion of all activities assigned or to be performed hereunder.

4. COUNTY PERSONNEL: County does not anticipate assigning County personnel or employees to assist Contractor on a full-time or part-time basis regarding services to be provided by Contractor pursuant to this Agreement. However, County personnel will be made available to Contractor at the discretion of Director of Public Health (hereafter, "Director") to provide necessary input and assistance in order to answer questions and provide necessary liaisons between Contractor and County. In any event, County further will provide Contractor with an appropriate contact person at each work site location to be served under this Agreement.

5. COUNTY FURNISHED PROPERTY AND SERVICES: At the Director's sole discretion, County may assign space, chairs, and desks, on a non-exclusive basis, for work area and related, used by Contractor. In the event the Director assigns space to the Contractor, Contractor shall use the space only for the purpose of performance of services hereunder. Contractor is prohibited from use of such space, desks, and chairs for purposes other than the performance of this Agreement.

At the Director's sole discretion, County may provide access to telephones, fax machines, typewriters, and photocopying equipment, on a non-exclusive basis, for the purpose of Contractor's performance of this Agreement. Contractor is prohibited from use of such equipment for the purposes other than for the performance of this Agreement.

6. SERVICES TO BE PERFORMED BY CONTRACTOR: Contractor shall provide the following services for all equipment listed in Exhibit B:

A. Comprehensive Equipment Inventory and Preventive Maintenance Schedule: Each year, Contractor shall, in collaboration with appropriate facility staff, develop and maintain a comprehensive equipment inventory listing all equipment covered under this Agreement. Such list shall include each equipment model number, serial/site number, and specific location (e.g., room number) at each facility. Such listing shall also include the Los Angeles County Capital Asset Leasing or Los Angeles County Number, where applicable.

Contractor shall provide each facility with a preventive maintenance service schedule for all equipment covered under this Agreement. Contractor shall include, as part of such schedule, the preventive maintenance services

requirements established by the facility for each piece of equipment listed in Exhibit B. In any event, Contractor shall ensure that all equipment is maintained to minimum regulatory compliance standards.

B. Routine Preventive Maintenance Services: Contractor shall perform routine Preventive Maintenance Services for equipment covered under this Agreement, at the rates and frequency set forth in Schedule 1. Such services shall be performed on Monday through Friday between 8:00 a.m. and 5:00 p.m., excluding County holidays, on days and times mutually agreed upon by facility and Contractor. The scheduled number of Preventive Maintenance Services shall meet the reasonable needs of each facility, shall be performed at regularly scheduled intervals, and shall comply with all appropriate licensing and accrediting agencies [e.g., The Joint Commission, Occupational Safety and Health Administration ("OSHA") standards, as applicable]. In any event, Contractor shall ensure that all equipment is maintained to minimum regulatory compliance standards.

Preventive maintenance services shall include, but not be limited to, inspection, cleaning and lubrication, safety inspection, functional tests and adjustments or calibrations necessary to facilitate proper functioning of the equipment, and replacement of worn, defective or broken parts with new parts specifically designed for the equipment.

Routine Preventive Maintenance Services exclude major overhaul, special services, and equipment installation, relocation, modification, and/or refurbishing.

C. “As-Needed” Equipment Repair Services: Contractor shall perform as-needed repair services within four (4) hours after notification by the facility, Monday through Friday between the hours of 8:00 a.m. through 5:00 p.m., excluding County holidays, at no additional cost to County.

If such services commence prior to 5:00 p.m., Monday through Friday, but extend beyond 5:00 p.m., no additional service charges beyond the rates set forth in Schedule 1 are to be incurred by County for work performed by Contractor after 5:00 p.m.

If the “As-Needed” repair emergency services are required after 5:00 p.m., Monday through Friday, or on weekends and County holidays, such services shall be billed to County at the rates specified in Schedule 1. If, upon arrival at facility, Contractor determines that the equipment cannot be immediately repaired, then Contractor’s service representative shall indicate, in writing, an estimated time frame for repair.

Repair and maintenance services provided by contractor shall be made on facility grounds and shall include all travel, labor, parts, and materials necessary to maintain said equipment. Replacement parts shall be new or equivalent to new parts.

Repair shall include diagnosis and corrections of malfunctions and/or failure occurring to said equipment. With approval by facility’s Administrator or his designee, temporary repair procedures may be followed by County’s personnel while Contractor is concurrently developing a permanent repair to said equipment.

If Contractor is unable to procure necessary additional parts or resources within twenty-four (24) hours after repair to said equipment had begun facility's Administrator or his designee shall have the option of: (1) requiring replacement equipment if available until service can be completed by Contractor to resume repair services to said equipment as soon as repair parts or resources are available. In any event, Contractor shall repair the said equipment or have approved plan for repair of said equipment or provide County with temporary replacement equipment if available within twenty-four hours after repair work on County-owned equipment has begun.

D. Risk Management Program: Contractor shall, in collaboration with facility staff, develop and maintain an Equipment Risk Management Program. Such Program shall require written documentation of all medical incidents that involve equipment covered under this Agreement, whereby such equipment has or may have caused or contributed to a patient's injury, serious illness, or death. Such documentation shall describe the incident, the equipment involved in the medical incident, and any subsequent examination of such equipment.

The facility administrator, or his designee, in consultation with Contractor and facility's Risk Manager, shall provide direct oversight of all activities to decommission, sequester, and examine any equipment which has been involved in a medical incident. Neither party shall use, clean, discard, alter, or repair any equipment involved in such incident prior to the said equipment's examination.

E. Additional Services:

(1) Breakage and/or Loss: Contractor shall replace and/or repair (at the time of servicing) any equipment and/or parts thereof which suffer breakage, damage or loss at the time of servicing or repair, which is caused by the negligence or willful misconduct of Contractor, and to the extent thereof, at no additional cost to County.

(2) Rework: Contractor shall rework improperly repaired equipment, correct any damage resulting therefrom, and supply all necessary parts and materials therefore at no additional cost to County. Service personnel shall also repair any defective parts purchased and installed by such service personnel and shall repair any damage to the equipment resulting from, and to the extent of, Contractor's negligence or willful misconduct, at no additional cost to County.

(3) Major Equipment Overhaul Services: Contractor shall provide regularly scheduled major overhaul services for equipment, as necessary, during the scheduled preventive maintenance service.

(4) Equipment Abuse and/or Negligence: All breakage or damage to equipment due to abuse and/or negligence shall first be verified and determined to be breakage or damage due to abuse and/or negligence by County personnel. Contractor shall repair such equipment broken and/or damaged due to abuse and/or negligence on the part of facility personnel only with the prior written authorization of County. Such services shall be

considered "Out-of-Scope" services and shall be billed at the rate set forth in Schedule 1.

(5) Reports: Contractor shall prepare and maintain a written record of all services (service report) provided on each equipment at the facility. Such service report(s) shall: (a) meet all licensing, accrediting and regulatory agency requirements; (b) clearly identify the equipment serviced by model number, serial number, Los Angeles County Capital Asset Leasing or Los Angeles County number (if available); (c) include an itemization and description of services performed, including electrical checks and calibration reading; (d) list any parts installed; (e) include the service date(s); and (f) give the name of the service technician who performed the service. A copy of such service report shall be given to designated radiology staff upon completion of service by the service technician. Such service reports are the property of County and shall remain on-site at each facility.

7. EXCLUSIONS: Contractor is not financially responsible to provide the repair services above, should any repair be required by causes other than ordinary use of the equipment, as determined the County. Such causes include, but are not limited to:

A. Improper use, neglect, misplacement, air conditioner or humidity control malfunction or failure, facility electrical system malfunction or failure;

B. Repair, maintenance, modification, relocation, or reinstallation by any other than Contractor-authorized personnel;

C. Natural disasters, fires, civil unrest, war, acts of sabotage, riots, accidents, or other causes.

In the event that excluded services are required by a facility, such services shall be billed to County at the hourly rates described in Schedule 1, or quarterly portion thereof, rounded up to the nearest quarter hour.

8. EQUIPMENT PERFORMANCE STANDARDS:

A. Uptime: The guaranteed performance uptime for each piece of equipment is a minimum of 95% (the performance of each piece of equipment will be reviewed monthly or as often as necessary, as determined by facility, to verify uptime performance standards, during each year the equipment is covered under this Agreement).

Time spent on regularly scheduled maintenance will be excluded from these performance calculations. Additionally, time the equipment is not operable due to damage from misuse, operator error, inadequate environmental conditions including air conditioning, failure or fluctuations in facility's electrical power supply, natural disasters, strikes or fires, etc., will also be excluded from these performance standards.

Should the equipment fail to meet the uptime criteria in any calendar week, a credit based upon the service contact price for the affected system, for the calendar week will be determined as follows:

<u>Equipment Uptime</u>	<u>Monthly Price Credit</u>
95.0% - 100.0% uptime	0%

90.0% - 94.9% uptime	5%
85.0% - 89.9% uptime	10%
80% - 84.9% uptime	15%
Below 79.9% uptime	20%

Equipment uptime below the 79.9% uptime defined above, for five (5) consecutive calendar days or more, shall be considered a default and County shall have the option to give Contractor notice thereof, pursuant to the Termination for Default Paragraph of the Additional Provisions.

B. Liquidated Damages for Downtime or Out-of-Service Status: The equipment shall be considered out-of-service if the equipment is 100 percent (100%) inoperable or not able to perform the function it was designed to perform. County will determine the out-of-service status of the equipment. Downtime is calculated from the time County contacts Contractor.

The basis for measurement is the total number of hours per day the equipment is in service at facility, multiplied by the number of days in service per week, multiplied by 95 percent (95%). "In service" is defined as in use or in stand-by status available for use by facility.

Contractor shall maintain a log specifying the dates and the causes of all unplanned equipment downtime. County will validate the log on a monthly basis. Credit shall be applied to the following month's invoice. Failure by County to assess downtime credit in the following month's invoice shall not constitute a waiver of such right, which County may exercise at any subsequent time.

9. GENERAL CONTRACTOR REQUIREMENTS:

A. Business License: Prior to the execution of this Agreement, Contractor shall provide the Department of Public Health, Contracts and Grants Division with a copy of its current business license(s) and appropriate Employer Identification Number.

B. Personnel: Contractor personnel providing services hereunder shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance hereunder. Copies of such licenses, permits, registrations and certificates shall be made available to County upon request for purposes of inspection and audit.

All contractor personnel as a minimum shall have the knowledge and expertise in the following areas:

- (1) Diagnosis and inspection of equipment to determine maintenance and repair needs;
- (2) Routine cleaning and lubrication of equipment, as necessary;
- (3) Electrical and safety inspections of equipment, as necessary;
- (4) Calibration and functional testing, as necessary; and
- (5) Required accreditation, regulatory and licensing needs for equipment serviced.

Contractor personnel shall be of a sufficient number so as to be available to provide maintenance and repair services to equipment located at the facilities.

C. Infection Control: If any of Contractor's personnel are diagnosed with having an infectious disease, and Contractor is made aware of such a diagnosis and such person has had contact with a County employee or patient during the usual incubation period for such infectious disease, then Contractor shall report such occurrences to facility's Infection Control Department within twenty-four (24) hours of becoming aware of the diagnosis.

If a County employee or patient is diagnosed with having an infectious disease, and such County employee or patient has had contact with Contractor's personnel during the usual incubation period for such infectious disease, each facility shall report such occurrences to Contractor.

For purposes of this Agreement, the infectious diseases reportable hereunder are those listed in the Public Health's list of Reportable Diseases.

D. Physical Examination: Contractor shall ensure that each person who performs services at a facility site under this Agreement is examined by a licensed physician, or other licensed medical practitioner authorized to perform such physical examinations, on an annual basis or biannual basis, as required by The Joint Commission and Section 70723, Title 22, California Code of Regulations. Upon request by Director, Contractor shall provide County with evidence that each such person is free of infectious and/or contagious disease(s) which would interfere with the person's ability to perform the services hereunder or which could be transmitted in the work place at each facility. Such evidence shall include documentation that the person:

(1) Received a physical examination, including an initial/periodic chest x-ray, an annual tuberculin skin test, or tuberculosis (TB) symptoms evaluation; and

(2) Demonstrates immunity to measles (Rubeola), Rubella, and Hepatitis B viruses, as confirmed by antibody tests demonstrating such immunity. In instances where persons do not have immunity to these viruses, and have refused vaccination, a waiver to that effect must be on file and provided upon request.

Written certification that such person is free of infectious disease(s), has been tested and/or vaccinated as required above, and physically able to perform the duties described herein, shall be retained by Contractor for purposes of inspection and audit and made available to County upon request.

Department of Public Health
Freedom Imaging
Digital Radiology Equipment Inventory

SPA	Facility	Room Type	Room No.	Equipment Type	Component Type	Make	Model	Serial No.	Confirmed	Asset Tag	IP Address	Subnet Mask	Default Gateway
4	HOLLYWOOD-WILSHIRE HC		110	Canon DR (Generator)			Cosmos-2	G17747					
4	HOLLYWOOD-WILSHIRE HC		110	X-Ray Tube: Varian			Rad 92	81921-3S					
4	HOLLYWOOD-WILSHIRE HC		110	Agfa DryStar 3000 Laser Camera	Printer			5361-989					
4	HOLLYWOOD-WILSHIRE HC		110	Rad Link Digitizer				103070209AG					

DEPARTMENT OF PUBLIC HEALTH
FREEDOM IMAGING - RADIOGRAPHY SYSTEMS
FACILITY SPECIFICATION SHEET

FACILITY ADDRESS AND PHONE NUMBER	BILLING ADDRESS
Hollywood/Wilshire Health Center 5205 Melrose Avenue Los Angeles, CA 90038 (323) 769-7889 ph (323) 467-9573 fx	Department of Public Health Financial Management 5555 Ferguson Drive, Suite 100-50 Commerce, CA 90022

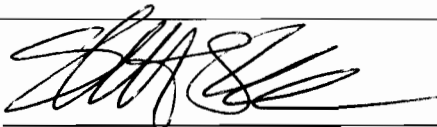
DEPARTMENT OF PUBLIC HEALTH
FREEDOM IMAGING SERVICE AGREEMENT
FOR
HOLLYWOOD-WILSHIRE PUBLIC HEALTH CENTER

DESCRIPTION	10/01/09-09/30/10	10/01/10-09/30/11	10/01/11-09/30/12	10/01/12-09/30/13	10/01/13-09/30/14	5 YEAR TOTAL MAXIMUM OBLIGATION
Direct Radiology Service Contract	\$32,705	\$32,705	\$32,705	\$32,705	\$32,705	\$163,525
Agfa Laser Camera	\$1980	\$1980	\$1980	\$1980	\$1980	\$9900
Laser Pro Service Contract	\$1500	\$1500	\$1500	\$1500	\$1500	\$7500
Subtotal	\$36,185	\$36,185	\$36,185	\$36,185	\$36,185	\$180,925
15% Discount	-\$5427	-\$5427	-\$5427	-\$5427	-\$5427	-\$27,138
Maximum Obligation	\$30,758	\$30,758	\$30,758	\$30,758	\$30,758	\$153,787

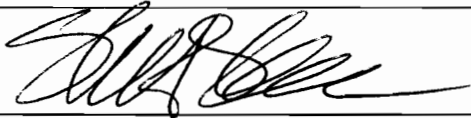
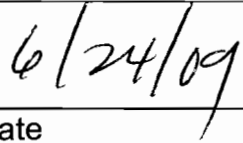
“As-Needed” Repair Services required after 5:00pm, seven (7) days a week, and on County holidays: \$375/hour (travel charge: \$150)

“Out-of-Scope” Services required between 8:00am and 5:00pm, Monday through Friday: \$250/hour (travel charge: \$150)

SOLE SOURCE CHECKLIST
(Fujifilm Medical Systems, U.S.A.)

Check (√)	JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES
	<i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
√	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
	➤ Other reason. Please explain:
	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  Deputy Chief Executive Officer, CEO </div> <div style="text-align: center;"> 6/24/09 Date </div> </div>

SOLE SOURCE CHECKLIST
(Freedom Imaging)

Check (√)	JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES
	<i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
√	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
	➤ Other reason. Please explain:
	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  Deputy Chief Executive Officer, CEO </div> <div style="text-align: center;">  Date </div> </div>



JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

JONATHAN E. FREEDMAN
Chief Deputy Director

313 North Figueroa Street, Room 808
Los Angeles, California 90012
TEL (213) 240-8117 • FAX (213) 975-1273

www.publichealth.lacounty.gov

EXHIBIT V



BOARD OF SUPERVISORS

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Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

June 4, 2009

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO A SOLE SOURCE
CONTRACT NEGOTIATION WITH FUJIFILM MEDICAL SYSTEMS, USA, INC.**

The Department of Public Health (DPH) requests to enter into a sole source agreement with Fujifilm Medical Systems, U.S.A., Inc. (Fujifilm) for the provision of equipment maintenance and repair services for Computed Radiography Digital Imaging Systems for various DPH facilities for the period of July 1, 2009 through June 30, 2014, for a total net County cost of \$676,894.

The agreement will implement equipment maintenance and repair services for the DPH Community Health Services (CHS) Radiology Unit and replace traditional film-based radiography, which is now obsolete, with digital radiography (DR) technology in 11 Public Health (PH) Centers.

Fujifilm's DR technology will improve image quality and increase diagnostic and operator efficiency and throughput, resulting in reduction of image result turn-around-time from six business days to one. Radiologists will be able to digitally obtain x-ray images from their remote workstations, eliminating the need to transport film from individual PH Centers to the centralized CHS Radiology Unit, located at Central Health Center. This Agreement will also dispense with the need to purchase films, chemicals, and other consumables used for traditional film processing and will eliminate the costs associated with film processing equipment maintenance and transportation costs for film delivery.

As Fujifilm is the Original Equipment Manufacturer (OEM) for the DR technology, it is necessary for DPH to maintain a service agreement with Fujifilm to ensure that the equipment (which uses proprietary technology) performs in accordance with Fujifilm's equipment specifications and complies with all accrediting and licensing agency requirements.

If you have any questions or require additional information, please let me know.

JEF:ly
#00828

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors